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China Hints It's Seeking Korea Talk

Weinberger Given Message by Deng

By William Chapman
Washington Post Service

TOKYO — China has recently indicated that it would welcome discussions with the United States on ways to maintain peace on the Korean peninsula, according to Japanese diplomatic sources. Japanese officials said that message was given to the U.S. defense secretary, Casper W. Weinberger, three weeks ago by Deng Xiaoping.

Fatal Rangoon bombing puts neutralist Burma in unwelcome political spotlight. Page 5.

the paramount Chinese leader, and was reiterated in Chinese talks with a Japanese legislator who visited Beijing more recently.

Japanese officials said they regarded it as a significant offer by the Chinese and called it the first such overture from Beijing on the issue of Korea's divided peninsula.

China is an ally of North Korea, while the United States has supported South Korea. Tension between them has been particularly high in recent days because of the Oct. 9 bombing in Rangoon, Burma, that killed 17 South Koreans. The reported overture to Mr. Weinberger occurred nearly two weeks before the bombing.

The United States is believed to have approached Chinese officials several times in the past in vain attempts to obtain help in defusing one conflict or another on the Korean peninsula. China is understood to have replied each time that it has no influence over the government of Kim Il Sung.

Mr. Deng met with Mr. Weinberger in Beijing on Sept. 28. According to Japanese diplomatic sources who relied on two separate accounts of the conversation, Mr. Deng made a three-point exposition of Chinese views on the Korean peninsula. He then said that China and the United States may be able to try to maintain peace and stability on the peninsula and promote the idea of unifying the two countries.

Despite the vagueness of that language, Japanese officials regard Mr. Deng's statement as intended to get some sort of dialogue started with the United States.

The three points that Mr. Deng made in opening the discussion did not break new ground, although Japanese diplomats said that by making them explicitly Mr. Deng was underscoring the significance of his message about U.S.-Chinese cooperation.

According to Japanese sources, Mr. Deng said:

• South and North Korea are different societies and the best way to unify them eventually is through the concept of a "confederation."

• North Korea has neither the intention nor capability of invading the South. It is intent on economic nation-building and believes the South is militarily stronger.

• If the South invades the North, China cannot sit idly by.

The same three points were made a week later, on Oct. 5, when Hu Yaobang, general secretary of the Chinese Communist Party, met with a visiting member of the Japanese parliament, Hideo Den.

Mr. Den said the party chief was quoting directly to him the message Mr. Deng had given to Mr. Weinberger. Mr. Den said he did not mean that the three points were followed by any explicit overture for talks with the United States.

However, Mr. Den, who has had long experience with both Chinese and North Korean policies, said he thought Mr. Deng's precise statement of the three points was in itself an attempt to start a dialogue.

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TOMORROW

■ Jeremy Irons is at that point in his acting career when all options seem open. Mary Blume reports. Weekend.



TOKYO RALLY — Carrying a banner and a national flag, about 3,000 South Koreans marched in Tokyo on Wednesday in a protest blaming North Korea for the bombing Oct. 9 in Burma in which several Seoul officials were killed.

Soviet Is Preparing Citizens for Crisis With U.S.

Belligerent Mood Stresses Mistrust of Reagan, Firmness on NATO Missiles

By Dusko Doder
Washington Post Service

MOSCOW — These are strange and moody days in Moscow. People are anxiously talking about war.

To the average citizen, President Yuri V. Andropov's statement Sept. 28 suggested the possibility of a showdown with the Reagan administration.

The Soviet leadership has begun to prepare the population for additional belt tightening required by the "countermeasures" Moscow is committed to take in response to the planned NATO deployment of new nuclear missiles in Western Europe.

An account of the last Politburo meeting, published during the weekend, talked of the people's readiness for "selfless" efforts to strengthen the country's military and economic potential. The same theme is struck in various public meetings convened to analyze Mr. Andropov's statement.

The statement made explicit Moscow's perception that the

Americans have no intention, and never had any, of reaching an equitable agreement at Geneva on missile reductions.

The format of Mr. Andropov's statement — a declaration by the general secretary of the party — was significant, since it is a form used only in a crisis situation.

Equally significant was the fact

NEWS ANALYSIS

that at the outset he asserted that Soviet leaders "deem it necessary to make known to the Soviet people" and others their assessment of President Ronald Reagan's "militaristic course, which poses a grave threat to peace."

While ostensibly replying to Mr. Reagan's speech at the United Nations, Mr. Andropov did not address details of Mr. Reagan's proposal. He revealed the bitterness and loathing with which the Soviet leadership views the Reagan administration.

Although his statement was extremely tough and condemned the totality of U.S. policies, Mr. An-

dropov did not close the door to an agreement in Geneva. However, at least at this stage, there are no indications that concessions will come from the Soviet side.

Whether the government's efforts to mobilize the population behind its policy amount to more than posturing is not clear.

Some Western observers say they believe Moscow is trying to create a belligerent mood in an effort to obtain maximum objectives by bluff. They say the Russians will start to negotiate seriously at Geneva only after the deployment of Pershing-2 and cruise missiles begins in December.

Other observers argue that the Russians will not buckle under and that the two countries seem to be headed for confrontation.

According to this view, the recent bitter public exchanges have led to a complete breakdown in meaningful communications between the two superpowers.

Soviet officials continue to stress Moscow's interest in securing peace. But they say they have come to believe that Mr. Reagan is unre-

mittingly hostile to the Soviet Union and that there is no point in trying to do business with his administration.

"There is a very strong conviction here that you want to destroy us," a well-placed official said. "That is serious. If you expect us to digest it [the missile deployment], you are very wrong."

The latest Soviet efforts appear directed at Western Europe, with the aim of inducing a last-minute postponement of the missile deployment. U.S. diplomats see this as a tactical move to divide the West that could eventually threaten the whole deployment plan.

Some observers in Moscow say they believe that the Russians are seeking a way to save face and that they are not trying to block U.S. deployment, but limit it.

But even these observers say they do not believe that Moscow is capable of making concessions demanded by the Reagan administration. As seen from Moscow, only a miraculous last-minute change of positions at Geneva could avert a crisis.

Mr. Jumbal reiterated

Lebanon Delays Talks As Fighting Heats Up

By William Claiborne
Washington Post Service

BEIRUT — The Lebanese government, bowing to the rejection by Druze and Christian representatives of the site for reconciliation talks, Wednesday called off the first meeting of the conference scheduled for Thursday.

Leaders of both factions said that the site selected for the conference, Beirut International Airport, was not secure. Fierce fighting continued around the airport on Wednesday.

A car bomb exploded Wednesday next to a passing U.S. Marine convoy on the approach road to the airport, injuring two marines.

Although the government of Lebanon's president, Amin Gemayel, said it was still seeking ways to resolve the impasse over the conference site, sources in the multinational force, which had been charged with security responsibilities, said that they had been informed that the meeting would not be held at the airport.

Later Wednesday night, the state radio announced that the conference had been postponed, but the government offered no indication of when or where it would be held.

The postponement followed a night and a day of some of the most intense fighting since the Sept. 26 cease-fire.

The Lebanese Army had fierce artillery exchanges on Tuesday night and early Wednesday with the Druze militias in the mountains east of the capital, as Souk el-Gharb and its vicinity came under heavy bombardment.

National police said eight persons were killed and 27 injured in those exchanges, in fights involving Shiite Muslim militiamen in the southern suburbs and between Druze and Christian Phalangist fighters in the region just north of the Israeli line at the Awali River.

Prospects for a peace conference to draft a new power-sharing formula for Lebanon and end eight years of civil war began to dim when the Druze leader, Walid Jumblat, head of the Syrian-backed Progressive Socialist Party, announced at a press conference in the Chuf mountain town of Moukta that he would boycott the talks.

It is very strange that Lebanese authorities extended invitations to the conference before we had even agreed on its location. We must agree on the place first," Mr. Jumblat said. He said the airport "is not convenient securitywise, especially because it has been bombed for two days."

Mr. Jumblat reiterated

his proposals that the conference be held either aboard a Greek ship in Lebanese waters or in Tunisia.

Earlier, a former prime minister, Rashid Karami, who is one of three leaders of the National Salvation Front, said in Tripoli that leaders of the front would not attend the reconciliation meeting. The front includes Christians and Muslims.

"The site is unacceptable for us. We in the National Salvation Front call on the president to choose another site for the dialogue. The airport lacks and will continue to

lack the basic security conditions necessary for holding the national dialogue there," Mr. Karami said.

The U.S. marines were injured when a car bomb exploded near the Kuwaiti Embassy not far from the main road to the airport.

U.S. officials said they did not know which faction might have set the bomb, but they said that radical elements intent on sabotaging the national reconciliation dialogue have repeatedly attempted to scuttle the talks by trying to engage the marines in fighting.

Reagan Scheduled to Face Press

Washington Post Service

WASHINGTON — President Ronald Reagan was scheduled to face his first news conference in nearly three months at 8 P.M. local time Wednesday.

Questioning was expected to focus on the new low in U.S.-Soviet relations, the change of national security advisers from William F. Clark to Robert C. McFarlane and the volatile situation in Lebanon, where U.S. Marine peacekeeping forces have suffered increasing casualties.

U.S. Is Said to Believe Syria Blocks Settlement

By John M. Goshko and Lou Cannon
Washington Post Service

WASHINGTON — The Reagan administration believes that Syria has turned away from the idea of a negotiated settlement of the Lebanese civil war and is counting on the hope that withdrawal of the U.S. marines will lead to Syrian control of the country, U.S. sources said Tuesday.

This revised assessment of Syrian intentions became known as President Ronald Reagan met with the National Security Council on Tuesday to review U.S. strategy in the Middle East.

White House officials said no major decisions had been made and stressed that, while some initiatives were being discussed, the main lines of U.S. policy remained unchanged.

Overshadowing the meeting, well-informed sources said, was U.S. policy-makers' growing conviction that Syria was deliberately impeding progress toward the "dialogue of national reconciliation" that the United States hopes will produce a new power-sharing arrangement between President Amin Gemayel's Lebanese govern-

ment and his Syrian-allied domestic foes.

A major problem for the talks has been an inability to agree on a location acceptable to all of the factions supposed to participate in the talks, which had been scheduled for Thursday.

The sources said that Syria on Tuesday blocked the latest attempt to break the impasse when it vetoed a proposal to meet at Beirut International Airport.

The sources said that veto was the latest of several Syrian-inspired delaying tactics that over the last month have eroded U.S. hopes that the Lebanese cease-fire, which began Sept. 26, could lead to a negotiated settlement.

President Gemayel's Druze and Moslem opponents would not have agreed to the cease-fire unless it had Syria's approval. The United States thus was more optimistic, thinking Syria had been convinced that it could not achieve influence it seeks in Lebanon through prolonged fighting and was willing to bargain.

However, subsequent Syrian efforts to block the negotiations, coupled with deliberate attacks this week against the U.S. Marine force in Beirut, have led the administration to conclude that President Hafez al-Assad was resuming attrition tactics because he was not convinced that U.S. support of Mr. Gemayel would continue over the long term.

Because the United States and Saudi Arabia are still trying to promote the dialogue, U.S. officials were unwilling Tuesday to voice these charges even in private.

But one Middle East expert summed up what is understood to be the administration's attitude when he said: "The Syrians are not interested in a peace process. They are waiting for more marines to be killed until we tire of the effort and pull out of Lebanon and leave them a clear field to control the whole show."

According to the sources, the U.S. response will be the same as during the bloody fighting preceding the cease-fire.

Specifically, they said, that means the United States and its French, Italian and British allies in the multinational peacekeeping force would stand fast and counter any attacks until Syria is certain that negotiations are its only option.

For now, the sources said, the U.S. mediating effort will remain under the direction of Richard Fairbanks, Secretary of State George P. Shultz's special representative.

Mr. Fairbanks, now in the region, had worked with the U.S. special envoy, Robert C. McFarlane, who was named national security adviser Monday.

Before Mr. McFarlane's departure, Mr. Fairbanks was known to have expressed a desire to return to private law practice.

Whether he will reconsider is unclear, the sources said, stressing that Mr. Fairbanks would continue, at least for the time being, to carry the main burden of mediation.

Tuesday's White House meeting also covered the chances for reviving Mr. Reagan's moribund initiative on bringing Jordan into expanded peace talks with Israel, smoothing U.S.-Israeli relations and countering Syrian and Soviet influence in the area.

U.S. Sweeps Nobel Prizes In Sciences

Compiled by Our Staff From Dispatches

STOCKHOLM — The United States completed a sweep of the 1983 Nobel science prizes Wednesday when the physics award went jointly to Subrahmanyan Chandrasekhar and William A. Fowler, both astrophysicists, and the chemistry prize to Henry Taube.

The Royal Swedish Academy of Sciences awarded the physics prize to Dr. Chandrasekhar of the University of Chicago, who was born in India, and Dr. Fowler, of the California Institute of Technology, for their separate work on the evolution of stars.

Dr. Taube, of Stanford University, who was born in Canada, was honored for his work in the mechanisms of electron transfer reactions, especially in metal complexes.

Each prize is worth 1.5 million kronor (about \$193,000).

An American geneticist, Barbara McClintock, received the medicine prize last week for her discovery of mobile genetic elements. The economics prize was awarded this week to Gerard Debreu, a mathematician who was born in France and is a naturalized American.

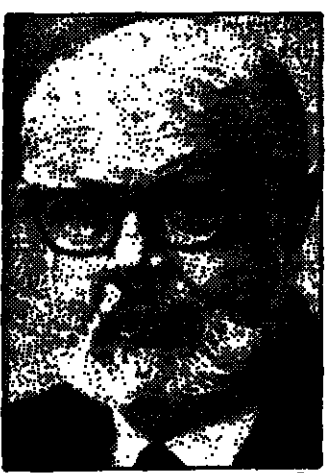
Academic sources said the fact that three of the winners became U.S. citizens during their careers reflected the continuing success of U.S. institutions in attracting outstanding researchers from abroad.

News of the award came on Dr. Chandrasekhar's 73d birthday. He was born in Lahore, now in Pakistan. He studied at Cambridge University in England and became a U.S. citizen in 1953.

Dr. Chandrasekhar's best-known achievement, made during a sea voyage when he was 20, was his accurate prediction of the structure and behavior of "white dwarfs," stars that have collapsed into small, dense and dim bodies.

His later research led to the discovery of "black holes," collapsed dead stars that are so dense and of such strong gravitational pull that no light or matter can escape.

"The award appears related to my work on the maximum mass of white dwarf stars which I discovered," (Continued on Page 3, Col. 7)



Henry Taube



William A. Fowler



S. Chandrasekhar



A U.S. Marine jeep was damaged on Wednesday when a bomb hidden in a car exploded near the Sabra and Chatila Palestinian camps in Beirut. Two marines were wounded.

Grenada Leader Is Reportedly Hurt As Soldiers Fire on His Supporters

The Associated Press

BRIDGETOWN, Barbados — Supporters freed Maurice Bishop, prime minister of Grenada, from house arrest Wednesday, but he was taken back into custody after soldiers opened fire on the crowd, reports from Grenada said.

An initial report said two persons had been killed. It was later reported that Mr. Bishop and two of his cabinet supporters were hospitalized after soldiers opened fire on the crowd that helped to free him earlier.

The Caribbean Broadcasting Corp., owned by the Barbados government, reported four deaths and said that Mr. Bishop, Jacqueline Creft, the former education minister, and Union Whitehead, the former foreign minister, were injured.

The radio, which gave no attribution for its account, said a labor leader, Vincent Noel, was among those killed. A privately owned Barbados radio station reported

that Mr. Bishop had been killed, but it gave no source.

News of Mr. Bishop's return to custody came just over an hour after reports from Grenada said thousands of his supporters had stormed his official residence, where Mr. Bishop reportedly had been held since Wednesday after being removed as party leader by the former deputy prime minister, Bernard Coard, a Marxist hard-liner with ties to Cuba.

Radio Free Grenada, the government radio station, went off the air Wednesday as demonstrators filled the streets calling for Mr. Bishop's return to power.

Earlier, several hundred pro-Bishop students demonstrated at Grenada's international airport. Radio Free Grenada said security forces had arrested "several persons" on charges of "inciting unrest."

General Hudson Austin, the army commander, said Mr. Bishop

had been voted out of the governing leftist New Jewel Movement for refusing to share the party leadership with Mr. Coard.

Mr. Whitehead said Tuesday that Mr. Coard and his wife were "running the show single-handedly" after replacing Mr. Bishop.

He was one of a number of cabinet ministers to resign to protest Mr. Coard's actions. The others to resign included George Louison, minister of agriculture and rural development; Lyden Rampham, minister of tourism and civil aviation; and Norris Bain, minister of housing.

Mr. Whitehead said the ministers had resigned because Mr. Coard and his wife had ignored their suggestions for resolving "the deep crisis in our country."

"The issue, as you know, in Grenada is that the people are demanding their leader, Mr. Maurice Bishop," he said. "They want no other leader."

West European Rocket Puts Satellite in Orbit

Ariane, Rival to U.S. Space Shuttle, Carries Telecommunications Payload

By Lee Dembart
Los Angeles Times Service

KOUROU, French Guiana — Western Europe's Ariane rocket blasted off from the coast of South America on Tuesday night, carrying into orbit Europe's hopes to challenge the American space shuttle.

The launch was delayed nearly an hour by a problem with pressurization in the rocket's third stage, but when the problem was fixed, the rocket roared from its launching pad without a hitch.

Atop the three-stage, 158-foot (48-meter) rocket was a 4,000-pound (1,800-kilogram) satellite owned by the international consortium Intelsat, which provides telecommunications service throughout the world. The satellite will eventually be positioned over the Indian Ocean to enter commercial service in December.

Officials of the European Space Agency were elated with Ariane's second successful launch after a crash a year ago that cast a pall over Europe's chances of cracking the American monopoly on commercial satellites.

"It's a wonderful picture," Mis-

sion Control announced four minutes after liftoff.

A motor attached to the Intelsat satellite was scheduled to fire Wednesday to fix its orbit at a circular 22,300 miles (36,000 kilometers), the altitude at which it will match the Earth's rotation and appear to hover over one spot.

Tuesday's launch marked the first time that Ariane has sent a non-European payload into orbit. The six previous Intelsat satellites were launched on U.S. Atlas-Centaur rockets.

The Ariane program hopes to capture 20 percent to 25 percent of the 200 civilian satellites expected to be launched in the next decade. It uses expendable rockets, like the U.S. Atlas-Centaur and Delta, which are still in use although they were originally to be phased out after the introduction of the reusable space shuttle.

With two successful commercial launches, ArianeSpace, the private multinational company that operates Ariane, hopes to persuade more customers to sign up for flights.

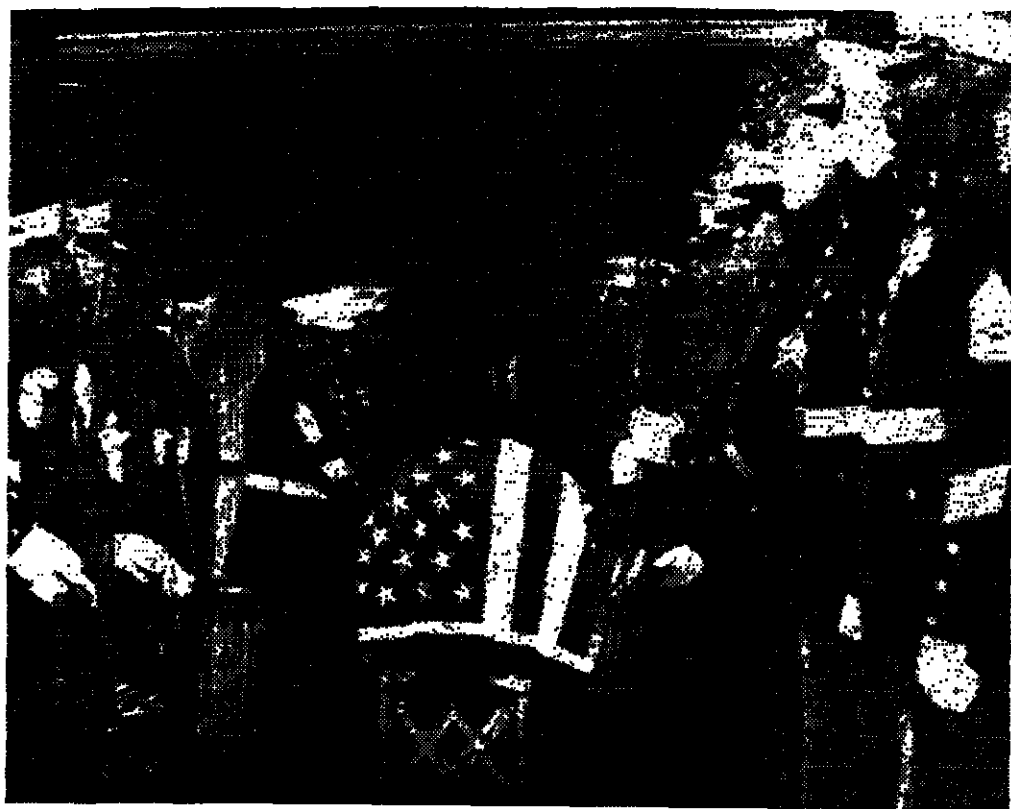
Intelsat, a 109-nation consortium, will make its next two launches on Ariane, then switch to the Atlas-Centaur for three more, and then back to Ariane.

General Telephone & Electronics is the only American company to sign up so far. It is committed to launch five satellites on Ariane.

ArianeSpace has firm orders to put 26 satellites into orbit on 15 launches by the end of 1986, said Charles Bigot, director-general of ArianeSpace. At roughly \$25 million per satellite, those launches would bring in some \$650 million, slightly more than the 11-nation European Space Agency has spent developing Ariane.

Through 1985, NASA is charging customers about \$17 million to put a satellite into orbit.

ArianeSpace charges about \$25 million. But NASA demands full payment before a launch, while Ariane asks only for 20 percent down and the rest can be financed at interest rates of about 9 percent.



Marine pall-bearers accompany the body of Sergeant Allen Soifert, killed by a sniper in Lebanon last Friday, after his funeral Tuesday in Nashua, New Hampshire. More than 300 people attended the ceremony to honor Sergeant Soifert, 25, who was the sixth marine to die in action in Lebanon. A seventh marine was killed on duty at Beirut airport on Sunday.

U.S. Military Chiefs Review Tactics For Supporting Marines in Lebanon

By Richard Halloran
New York Times Service

WASHINGTON — The Joint Chiefs of Staff have begun a review of rules governing the operations of the U.S. Marines who have come under increasingly frequent fire in Lebanon, Defense Department officials say.

The officials said Tuesday that the review included everything from giving the marines more freedom to strike back to providing fire support from the guns of the battleship New Jersey or from aircraft aboard the carrier Eisenhower, both lying offshore.

"We're just not going to let the marines take much more of this," said an official, referring to the almost daily toll of dead and wounded in Beirut. Since September, seven marines have been killed and more than 50 wounded.

The fate of the marines was said to have been discussed Tuesday at a meeting of the National Security Council in the White House. Officials speculated that President Ronald Reagan would make a statement on Lebanon at his news conference scheduled Wednesday night.

While White House officials declined to disclose the details of that discussion, one said that "there was no sense of backing away from the basic commitment there." The officials said Mr. Reagan intended to keep the marines there until a reconciliation had been achieved.

Some officials pointed to what they saw as political pressure on the Reagan administration to do something. "The American public is not going to stand by and see marines picked off one by one," an official said.

The officials said they thought the news of marines being killed or wounded singly or in small numbers had captured more public attention than had the daily lists of casualties during the war in Vietnam that became commonplace as the war there wore on.

"We don't want to become part of the fighting there," an official said. A particular problem was the difficulty in determining who was firing at the marines. Some officials said there was evidence that Iranian squads had been added to the already confusing array of forces fighting in Beirut.

Officials recalled that Secretary of Defense Caspar W. Weinberger and the Joint Chiefs were enthusiastic about sending the marines to Beirut in the first place. They feared, officials said then, that the United States would become involved in the fighting or be seen as adversaries by both Arabs and Israelis.

But those officials said Tuesday that to withdraw the marines now might lead to disaster, including the fall of the Lebanese government or a renewal of all-out fighting.

"We're between a rock and a hard place," a military officer said. The officials underscored the difficulties of increased military action by the marines, who are in Lebanon as part of a multinational force, along with British, French, and Italian soldiers, that is intended to preserve a negotiated truce.

An official said that almost anything the United States did to apply more military power might undermine the fragile cease-fire and possibly unite warring factions against the United States.

In the background were unspoken concerns that increased U.S. military activity could lead to a confrontation with the Soviet Union. Soviet advisers are said to be serving with Syrian forces.

On the other hand, some officials expressed impatience with the restrictions put on the marines, contending that they should be allowed more freedom to maneuver and to fire at forces that have been shooting at them.

An Officer Is Killed By Basques Spaniards Call For State Action

By Tom Burns
Washington Post Service

MADRID — A Spanish Army captain was found shot to death Wednesday, two weeks after he was kidnapped by Basque guerrillas bargaining for the release of imprisoned members of the separatist organization ETA.

The shooting appeared to have stunned Spanish public opinion, which had closely followed the kidnapping. There was renewed pressure on the Socialist government of Prime Minister Felipe Gonzalez for increased action against guerrillas and for a ban on political parties that support the separatist platform in the northern Spanish provinces that form the Basque country.

In an apparently related development, it was reported that four Spanish police officers had been arrested in France, across the border from Spain's Basque country, after an attempt to kidnap a leading member of the faction of ETA, the initials of the Basque words for Basque Homeland and Freedom, which had taken the army captain hostage.

Captain Alberto Marin Barrios, 39, the father of three young children, was killed by a shot in the temple.

His body was found, bound and gagged, in an abandoned house on the outskirts of Bilbao after a phone call to the local Red Cross from the so-called Eighth Assembly faction of ETA's political-military wing.

Among the condemnations of the killing was a statement by the far left Herri Batasuna (People's Unity) party, which acts as the political front for the ETA military wing, the main grouping among the diverse independence factions.

Herri Batasuna, which has in the past remained silent over guerrilla actions, said the killing was "absurd and politically incomprehensible."

There were calls from rightist politicians for the Socialist government to prohibit all parties that seek the breakdown of the Basque country from Spain.

Captain Barrios, who held a desk job in the pharmaceutical department of Bilbao's army headquarters, was kidnapped outside his home Oct. 5.

The kidnappers said he would be released in exchange for nine ETA Eighth Assembly members due to stand trial by court-martial next week in connection with an attack on an army barracks three years ago.

The kidnapping demand was later switched to one that an ETA statement condemning the trial be read on the state-owned television network.

In France, a police captain, two sergeants and a police inspector were arrested Tuesday by French police when they were allegedly attempting to kidnap an ETA Eighth Assembly leader, José Maria Larrazola, who is in hiding in France.

WORLD BRIEFS

Soviet Threatens to Place More Subs Off U.S. if Pershing-2s Are Deployed

TOKYO (Combined Dispatches) — The Soviet Union may step up the number of nuclear submarines cruising off U.S. coasts if Washington goes ahead with plans to deploy nuclear missiles in Western Europe, a Soviet official said Wednesday.

Victor G. Afanasyev, editor of Pravda and a member of the Soviet Communist Party Central Committee, made the forecast in an interview in Moscow reported by Japan's Kyodo news agency. If U.S.-Soviet talks in Geneva on reducing intermediate-range nuclear forces fail and U.S. cruise and Pershing-2 missiles are deployed in Western Europe, he said, new Soviet missiles might also be deployed in Communist countries.

"As U.S. experts have said, we have to do something, such as increasing the number of Soviet nuclear submarines cruising near U.S. coasts," he said. "The Pershing-2 missile reaches Soviet territory in seven or eight minutes." He said the Soviet Union would have to take measures so that its missiles would "arrive on the U.S. mainland in seven or eight minutes." He ruled out stationing missiles in Cuba, Kyodo said.

In London, David Owen, leader of Britain's Social Democratic Party, urged Europeans in a speech to press the United States for a "final negotiating position" at the Geneva talks.

His speech, to the Royal United Services Institute for Defense Studies, proposed delaying deployment of the Pershing-2s but keeping them in reserve in case Moscow deploys more medium-range weapons of its own in retaliation for the deployment of cruise missiles in Britain and Italy.

Meanwhile, police in Cologne cleared 1,500 anti-missile protesters from entrances to the West German military intelligence service and arrested 150 people, the government said. (Reuters, UPI, WP)

Tunisia Leader Backs Prime Minister

TUNIS (AP) — President Habib Bourguiba, 80, one of the world's oldest and longest-ruling chiefs of state, has reaffirmed his support for Prime Minister Mohamed Mzali, 58, to succeed him. But Mr. Bourguiba, in remarks this week to Tunisian lawyers, also said he hoped to continue in office beyond his 90th birthday.

The constitution automatically makes the prime minister the new president in case of death or incapacity of the chief of state. But this provision has been widely challenged in Tunisia, notably by Mr. Bourguiba's wife, Wassila, who has advocated elections in case of the president's death.

Mr. Bourguiba, who is president for life and has held office since the end of French colonial rule in 1956, has recovered from a series of ailments. He still is active in government affairs.

Mr. Bourguiba, who is president for life and has held office since the end of French colonial rule in 1956, has recovered from a series of ailments. He still is active in government affairs.

Mubarak Warns Iran on Closing Gulf

KUWAIT (UPI) — President Hosni Mubarak of Egypt warned Wednesday that Egypt would take military action against Iran if it carried out its threat to block oil shipments through the Gulf or attacked Arab ports.

"If Iran carries out its threats to attack the Gulf ports or close the Strait of Hormuz, the situation will require us to revise our stand in consultation with political leadership in the region," Mr. Mubarak said in an interview published in the Kuwaiti newspaper Al-Sayass. Iran has threatened to blockade the strait and deprive the West and Japan of Gulf-supplied oil if Iraq disrupts Iranian oil exports.

"If Iran takes such a step, we will be confronted with new international factors and will not stand idly by," Mr. Mubarak said, adding: "Egypt's Army is Arab and will intervene to help its brothers."

No-Confidence Vote Defeated in Israel

JERUSALEM (UPI) — Prime Minister Yitzhak Shamir's coalition government, pledging austerity to combat Israel's economic crisis, easily defeated a parliamentary motion of no confidence Wednesday.

By a vote of 61-54, Mr. Shamir's new government beat the motion offered by three opposition parties over Israel's soaring inflation and deepening foreign debt, which has panicked the Israeli public into cashing in billions of shekels for U.S. dollars.

Yigal Cohen-Orad, confirmed as finance minister Tuesday, conceded that Israel's economy was in deep trouble and was importing \$5 billion a year more than it was exporting. He said he had invited the heads of the Israeli's giant labor federation, the Histadrut, and the Manufacturers' Association for talks on economic cooperation and strategy.

Key to Toxic Shock Is Believed Found

NEW YORK (AP) — Researchers have isolated the bacterial gene that produces a toxin widely believed to cause toxic shock syndrome, and they say the discovery could speed the search for a toxic shock vaccine or a test to determine who is susceptible.

The researchers also said they have been unable to confirm a report earlier this year that toxic shock might be caused by bacteria that have themselves been infected by viruses. The isolation of the gene for toxic shock syndrome, exotoxin, or TSSE, will let researchers prepare large amounts of purified toxin for research, said Dr. Richard Novick, director of the Public Health Research Institute in New York, the leader of the research team.

"One purpose was to enable other people to verify or confirm that this protein is implicated in toxic shock syndrome," Dr. Novick said. "We will be able to use the cloned [isolated] gene to make large quantities of the material [the toxin] for two purposes, one of which is to be used in a susceptibility test and the other is to produce a vaccine," he said. The findings will be published in Thursday's edition of Nature magazine.

For the Record

The release of 66 Argentine political prisoners being held without trial was announced Wednesday by the military government. (Reuters)

Talks on Hong Kong's future resumed Wednesday in Beijing after a monthlong break, amid reports that Britain would present new proposals to China to try to break a deadlock in negotiations. (Reuters)

President Ronald Reagan's Asia visit will begin with his arrival Nov. 9 in Japan, the White House said Wednesday. It said he would leave Japan Nov. 12 for South Korea and return Nov. 14 to Washington. (AP)

A vote to exclude Israel from the UN General Assembly would force the United States to leave the Assembly and halt dues payments, U.S. officials warned. Iran is expected to challenge Israel's credentials. (WP)

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O'Neill
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Who Exp
By Fred Hiatt
WASHINGTON — A P
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O'Neill Announces He Will Oppose CIA Aid for Insurgents in Nicaragua

By Hedrick Smith

WASHINGTON — Speaker Thomas P. O'Neill Jr. says he will oppose the administration's continuing aid to Nicaraguan rebels in a crucial vote scheduled Thursday in the House of Representatives.

"I believe that the United States should not be engaged militarily in trying to overthrow other governments," the Massachusetts Democrat said Tuesday.

Representative O'Neill, who backed President Ronald Reagan's use of the Marines in Lebanon, said: "I believe there is a sharp difference between what the administration is doing in Lebanon and what it is trying to do in Nicaragua. In Lebanon, it is supporting a government. In Nicaragua, it is trying to overthrow one."

With U.S.-backed rebels intensifying sabotage attacks against Nicaraguan oil installations this month, a spokesman for Mr. O'Neill predicted a majority vote for a new attempt to cut off U.S. backing for the rebels through the CIA.

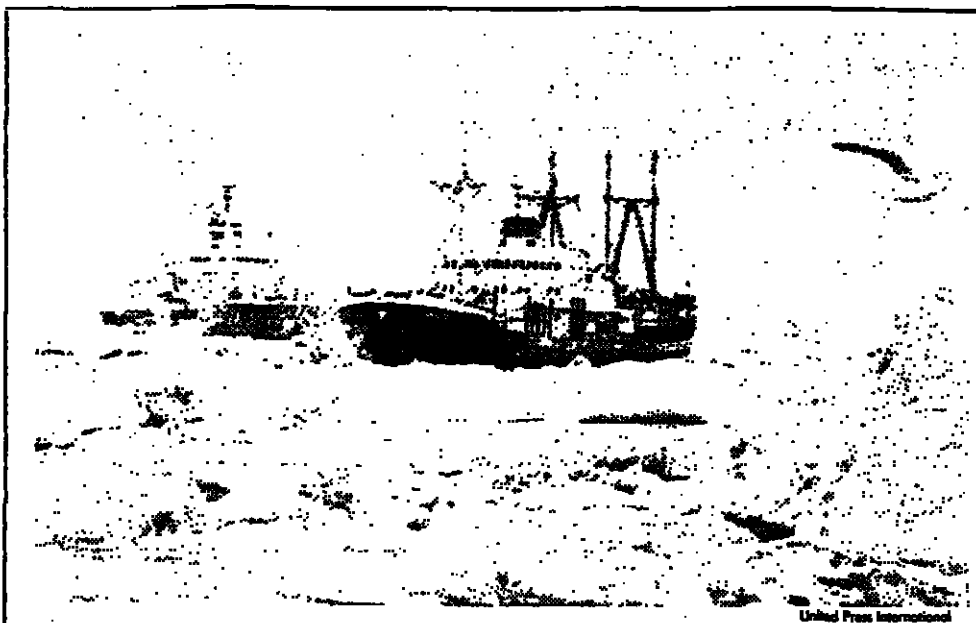
But some Republican leaders and pro-administration Democrats contend that sentiment has shifted since the House voted 228-195 July 28 to cut off secret aid to the rebels. They say there is a chance the administration will get approval of \$50 million in covert aid for Nicaraguan rebel forces.

"Support for covert aid has somewhat improved," said Representative William S. Brockmeyer, Republican of Michigan. "Some Republicans are having second thoughts about opposing covert aid. I think we'll get some of them and maybe some Democrats, too. It wouldn't take too many switches to reverse that earlier vote."

The Senate's refusal to act on the cutoff legislation in July and passage of a temporary omnibus spending bill in September have kept alive financing for the rebels this fall. But this week the House will vote on the worldwide intelligence program for the fiscal year that began Oct. 1.

The overall budget for the intelligence community, which runs to several billion dollars, is kept secret. Legislative summaries said the bill would authorize a 2-percent increase in the CIA's overall employment, estimated earlier this year at roughly 16,000; \$75.5 million for a new building at CIA headquarters near McLean, Virginia; \$13.8 million for the counterintelligence programs of the FBI; and \$19.1 million for the intelligence community staff.

The issue of covert aid to Nicaraguan rebels is expected to be the most controversial item.



Ice Floes Threaten to Crush Soviet Freighters

At least 35 Soviet ships have been rescued from pack ice in Siberian seas, but five remain trapped and are in danger, according to Tass. Soviet icebreakers are fighting the arctic ice to save them.

U.S. Completes Sweep Of Nobel Science Prizes

(Continued from Page 1)

ered in 1930 while on a steamer en route from India to England," Dr. Chandrasekhar said in Chicago.

Dr. Fowler, 72, studied at the California Institute of Technology and became professor of physics there in 1946.

His achievement, the academy said, lay in developing with other researchers a complete theory of the formation of chemical elements in the universe. It said "this theory is still the basis of our knowledge in this field and the most recent progress in nuclear physics and space research has further confirmed its correctness."

Academy physicians said they saw the prizes awarded to Dr. Fowler and Dr. Taube as a reward for a lifetime's work in a largely theoretical area of physics. "They made no earth-shattering discoveries but produced a solid body of research," one said.

Dr. Taube, 67, received the prize for inorganic work on metal systems, an area in which he made 18 major discoveries. The academy described him as one of the most creative contemporary chemists.

Taube is the founder of the modern evolution of inorganic chemistry," said Sture Fronaeus, chemistry professor at University of Lund in Sweden.

Dr. Taube's esoteric research concentrated on the structural preconditions governing electron transfers in metal complexes but also had implications for biochemistry.

The research dealt specifically with so-called electron transfer reactions, which involve the movement of the charged subatomic particles known as electrons from one molecule to another as chemical combine.

"I think that the thing is that this is a field that hasn't really gotten much attention," he said Wednesday in a radio interview.

Dr. Taube was born in Saskatchewan, Saskatchewan. He studied in California and became a U.S. citizen in 1942. He has been professor of chemistry at Stanford since 1962.

Dr. Fowler's work deals with the nuclear reactions that take place in the stars during their evolution.

He said in Pasadena he was "very pleased, just astounded, to be awarded the prize with Dr. Chandrasekhar. He has been an idol for many years."

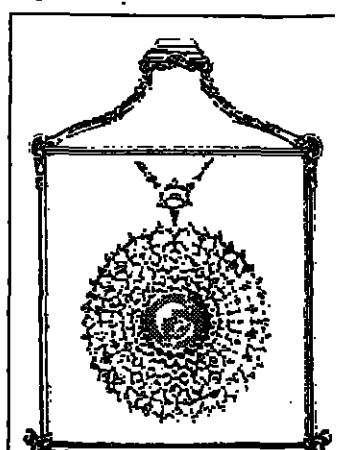
"I can see his getting the Nobel prize, but my own work has been restricted to a rather narrow but important part of the field."

The awards, which are the last two of the six Nobels for 1983, continued U.S. dominance of the Nobel science prizes. Including the latest laureates, 48 of the 121 physics winners have been U.S. scientists and 26 of the 99 chemistry winners have been Americans.

The awards were first given in 1901, as provided in the will of Alfred Nobel, the Swedish millionaire inventor of dynamite who endowed the awards. They will be presented to the winners Dec. 10, the anniversary of Nobel's death. (Reuters, UPI, AP)

■ **Wales Award Denounced**

The Polish government has again denounced the awarding of the Nobel Peace Prize to the leader of the Solidarity trade union movement, Lech Walesa, saying it "unleashed a campaign of slander" against Poland, United Press International reported from Warsaw.



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HYATT HOTELS

Advance Is Reported on Gene-Spliced Vaccines for Hepatitis and Herpes

By Harold M. Schmeck Jr.

NEW YORK — Scientists using the techniques of genetic engineering say they have succeeded in developing vaccines to protect mice against herpes and rabies against hepatitis. The researchers are confident that comparable vaccines will be developed for human beings as well.

And they are hopeful that the research will lead to production of the first successful vaccine against genital infections with herpes virus.

Although a vaccine already exists against hepatitis B virus, it is too expensive for use in many developing countries where the virus makes liver disease a serious public health problem. An estimated 200 million people are affected worldwide.

If the modified vaccinia-type virus produced by the new research can be used against hepatitis, it would presumably be inexpensive, perhaps as little as 35 cents a dose, as opposed to the current price of \$100. Moreover, health workers throughout the world have had much experience in administering vaccinia virus, which was used as a vaccine against smallpox and, by 1980, eradicated it worldwide.

It is considered a strong possibility, too, that that new vaccines will result in protection for humans not only against hepatitis but also against several other diseases.

At a news conference Tuesday, Dr. David Axelrod, New York state commissioner of health, described the research as "a major innovation, a major finding, which we believe will have public health impact and will allow us to deal in a very innovative fashion with a variety of different diseases."

Leaders of the research in New York are Dr. Enzo Paoletti and Dr. Dennis Francis, senior research scientists at the Center for Laboratories and Research of the State Health Department in Albany.

The innovation was in using the techniques of genetic engineering

to modify the famous vaccinia virus, so that it would offer humans and animals protection against such foreign invaders as herpes and hepatitis B viruses. A live vaccinia virus was first used against smallpox by Dr. Edward Jenner almost 200 years ago. It was the first effective vaccine, and serves as the origin of the word vaccination itself.

The scientists at the Center for Laboratories and Research modified the vaccinia virus genetically so that it carried foreign genes. In cases discussed Tuesday, these genes were for key parts of herpes simplex virus type 1, hepatitis B virus and influenza virus.

In principle, almost any desired

gene could be transplanted into vaccinia by the same technique. The scientists Tuesday speculated that the method might also be used to develop vaccines to prevent such diseases as malaria and other parasitic diseases that are major unsolved world health problems.

Because vaccinia virus is large, as viruses go, Dr. Paoletti said there would probably be room to insert as many as six to 10 foreign genes within the same vaccinia virus. Conceivably such multiple insertions could change vaccinia viruses into a form that could be used as a vaccine to protect simultaneously against several different diseases.

Research with modified vaccinia viruses for vaccine development is also in progress at the National Institute of Allergy and Infectious Diseases, a unit of the National Institutes of Health in Bethesda, Maryland.

Dr. Geoffrey L. Smith of the institute said his group presented data at a recent scientific meeting at the Cold Spring Harbor Laboratory on Long Island, New York, showing that an experimental vaccine also produced from vaccinia virus protected chimpanzees against infection with hepatitis B virus. The immune defenses of humans and chimpanzees are closely similar. Because of that, a vaccine's ability to protect chimpanzees is strong evidence that the same vaccine would protect humans as well.

Dr. Smith, along with Dr. Michael Mackett and Dr. Bernard Moss, both of the National Institutes of Health, reported earlier in the scientific journal Nature the

Man Posing as Actor's Son Arrested After Winning Entry to N.Y. Homes

NEW YORK — A 19-year-old Buffalo man has been arrested and accused of posing as the son of the actor Sidney Poitier to gain access to the homes of prominent New Yorkers.

The arrest came after the suspect, David Hampton, arranged a meeting with Osborn Elliott, dean of the Columbia University Graduate School of Journalism and one of his unwelcome hosts, the police said. Mr. Elliott notified the Police Department's special fraud squad.

[Police said Wednesday that Mr. Hampton was charged with grand larceny, The Associated Press reported.]

The hunt for an impostor intensified Tuesday after it was publicly revealed that a young man, contending he was the son of Mr. Poitier and a college friend of Mr. Elliott's daughter, had stayed overnight at the Elliott home and had been given money and clothes to wear.

The youth said he had been mugged and needed a place to stay until his father arrived in New York the next day.

At least one other prominent person, John J. Iselin, president of WNET television, has told the police that he was victimized by a man fitting Mr. Hampton's description.

Kilroy Gets Into NASA With Computer Graffiti

By Joseph B. Treaster

NEW YORK — Computer enthusiasts got into the electronic mail of the National Aeronautics and Space Administration left cartoon images and "Kilroy was here" messages and played pranks on employees, a NASA official says.

The official said Monday that the intruders had destroyed some information but that the agency's electronic mail service, which is provided by a company in Virginia, was not significantly disrupted.

An official of the Federal Bureau of Investigation urged a subcommittee of the House Committee on Science and Technology on Monday to create a law that would prohibit unauthorized entry into a computer.

Because there is no such law, the federal authorities trying to combat computer abuse are treating the cases as wire fraud, the use of telephone lines without paying.

Louis Lushina, a NASA official with responsibility for the electronic mail service, Telemail, said that NASA first noticed the intrusions in mid-July and that they continued into September.

In addition to reading unclassified NASA messages, Mr. Lushina said, the intruders were able to destroy messages and create personal passwords.

Mr. Lushina said the agency did not know how many times the system had been entered or how many messages had been destroyed.

The FBI said last week that it was investigating several youths in connection with intrusions in Telemail.

Some of the youths said they had heard that large quantities of NASA information had been destroyed and that the NASA section of Telemail had been shut down at least once.

Pentagon Moves Analyst Who Exposed Overruns

By Fred Hiatt

WASHINGTON — A Pentagon analyst who last year exposed huge cost overruns in the military budget has been reassigned to study other issues and has not been allowed access to budget information.

The disclosure occurred Tuesday as members of the House Budget Committee were assembled to hear the analyst, Franklin C. Spinney, explain whether the billion-dollar distortions he had uncovered in past budgets were likely to continue.

But Mr. Spinney's boss, David S. Chu, who was appointed by Defense Secretary Caspar W. Weinberger, told the chairman of the Budget Committee, James R. Jones, Democrat of Oklahoma, and others that Mr. Spinney was no longer assigned to budget analysis.

Mr. Chu, director of program analysis and evaluation in the Pentagon, said he had no quarrel with Mr. Spinney's historical data but that Mr. Spinney did not understand changes Mr. Weinberger had instituted to correct the problem.

"The concerns I have are with the techniques employed and with the ability of a single individual to understand the implications of what's happening," Mr. Chu said.

Mr. Spinney is an analyst in my office," he continued. "If you're offering him a position on your staff, Mr. Jones, I will not stand in your way."

Committee members reacted angrily to what one called the "muzzling" of Mr. Spinney, who spent a decade as a little-known Pentagon bureaucrat and then appeared on the cover of Time magazine in March after presenting his analysis on Capitol Hill.

Albert Willink, Dutch Painter, Dies; Oils Depicted Amsterdam Buildings

AMSTERDAM — Albert Carel Willink, 83, a Dutch painter known for his somber cityscapes and portraits, died Wednesday at his home, relatives said. The cause of his death was not disclosed.

Some critics praised Mr. Willink and others said he was coldly academic. He shunned all critics, saying: "I make my paintings only for myself. I just paint."

His oils depicted many of Amsterdam's neo-Gothic buildings, often called "Willink Houses" in the Netherlands. But he included a background that clearly was not taken from life — a mountain range, for instance, in a country with no mountains. Similarly, he put mountains behind London's Tate Gallery.

Renewed Violence Reported in Sind; Accounts Conflict

ISLAMABAD, Pakistan — A gun battle Wednesday between security forces and villagers in Sind province appeared to have been the worst in the region in 15 days.

Opposition sources said that at least five persons were killed and 60 to 70 wounded in the clash in Lakhat, a village in central Sind. But a government statement said a civilian was killed and eight persons, including four security personnel, were injured.

The government statement said the gunfight broke out when a group of armed people in the village opened fire on law-enforcement officers. It said the security forces attempted to subdue the group using tear gas, then opened fire, killing one civilian and injuring four others.

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The McFarlane Option

It is long past the time when anyone could specify, accurately or usefully, exactly what the president's national security adviser is supposed to do. The holders of the position have variously acted as coordinator, advocate and agent of policy, and it is probably just as well that presidents see fit to redefine the role each time around. What counts is that a president have, close by, someone without departmental responsibilities or interests, capable of serving his needs as he sees them. Ronald Reagan's new — third — national security adviser, Robert C. McFarlane, appears to fill that bill.

In William Clark, President Reagan had as his security adviser a confident who reinforced his inclination to build a position of strength but who was not notably skilled in helping him deal from it. With Mr. Clark's support, Mr. Reagan moved deep into Central America and the Middle East. But neither in arms control nor in regional diplomacy has the Reagan administration yet managed to secure a payoff. On the contrary, things are difficult everywhere.

In Mr. McFarlane, formerly Mr. Clark's deputy, the president now has a security adviser with a technician's background, whose

Call it wisdom or political opportunism, the choice of Robert McFarlane to be national security adviser confirms a welcome trend.

By all accounts, the former Marine Corps officer is a sensible and experienced manager of foreign policy choices. He has learned, under Henry Kissinger and Brent Scowcroft, how to run a White House crisis staff and also a government-wide policy study. He has seen how to balance the desires of presidents against contradictory impulses in the Pentagon, the State Department, the CIA and Congress. He understands weaponry and arms control. He has witnessed the turmoil in the Middle East, and he is not afraid to talk to either the Russians or the press.

How pathetic that his elevation from deputy security adviser should have kicked up such a squall on Mr. Reagan's right flank.

Those who wanted Jean Kirkpatrick were not just glorifying her less relevant experience. They were asking the president to deny his own. They wanted to pull him back from complexity, which is to say, from reality — to discourage his growing interest in arms control and block his access to professionals who understand that America's security requires more than barking back at Moscow.

But Mr. Reagan has turned that right-wing corner. The elastic George Shultz is secretary of state. That villain of the old Reagan crusade, Henry Kissinger, is masterminding Central America. The neglected talents of Brent Scowcroft have been tapped for weapons planning and arms control. By resisting the clamor against Mr. McFarlane, the president again chose competence over ideology.

After four changes in three years at the top of his diplomatic team, there is not much time for Mr. Reagan to make a mark in the world. Mr. McFarlane will not lack for crises that

need attention, starting with the exposed marines in Lebanon and Iran's threats to choke off the Gulf. The bankruptcy of major Latin countries threatens upheavals far graver than the eruptions in Central America. Incipient trade wars among the industrial countries have become too important to be left to economists.

All these problems, however, will be magnified tenfold if the Reagan administration does not finally establish solid communication with the Soviet leaders: looking toward arms control, to be sure, but also to cool the tension that distracts both powers in costly ways.

Some say that Mr. Reagan's only foreign policy ambition was to rebuild America's war machine, a project he now thinks is well launched; if so, he has confused big spending with sound planning and has exaggerated what even an effective buildup can contribute to national security. But the worst feature of the arms buildup was a corollary decision to defer real negotiation with the Soviet Union until Congress voted the increased funds. By the time Mr. Reagan decided this year to repair the relationship, the South Korean airliner affair threw up a new obstacle.

His failure has not only delayed arms control. It threatens to let technology race beyond control, notably in outer space. Meanwhile, Soviet and American energies are being wasted in pointless political and missile competitions in Europe. And the superpowers have had no chance even to try to ease each other's way out of Third World jams in Afghanistan, Nicaragua, Angola or Lebanon. Mr. McFarlane seems to have the skill and temperament to prepare the president for a sober approach to the Russians at last. But advice has its limits. Recognizing such an approach as wise and opportune is the president's job.

— THE NEW YORK TIMES

Other Opinion

A Worrying Security Problem

From Japan to Norway, each of Russia's neighbors has been handled roughly enough by Russia to bear a grudge. The invasion of Afghanistan in 1979 stretched even the most charitable view of Soviet security to snapping point. Russia's claim that it had to occupy tiny Afghanistan to preserve stability on its southern border comes close to arguing, as a czarist foreign minister once did, that the only safe border is one Russia is on both sides of.

Nobody expects Russia's leaders to neglect their country's security. They are entitled to be wary of an outside world that for the most part does not share their ideological values. But neither of those things makes the Soviet Union unique. The Russians, like most other people, feel rather defensive. But, unlike most other people, they greatly exaggerate the need for that feeling. So, chip on shoulder, they have let defensiveness become twisted into patterns of behavior that look very much like aggressiveness. Their insecurity problem has become other people's security problem.

— The Economist (London).

Europe's Trade With Japan

The resolution by the foreign ministerial council of the European Community declaring that the Japanese market was still not sufficiently open was tough, but the EC did postpone taking further action against this country. We believe the EC showed this flexibility because it appreciates the steps taken so far by Japan to open its market and the promise to quicken the pace of tariff reductions.

Most certainly Japan should open its market

further. But we urge the EC, especially France, to halt growing trade protectionism. We cannot ignore the EC's trade deficit with Japan, which is expected to reach \$12 billion this year.

It is undesirable that Japan should hurt European industries with tariff barriers. However, we are greatly disturbed by recent excessive protectionist moves, mainly by France. We highly appreciate the moderation shown by the council at its meeting this week, and we hope it will continue to display such good sense. It is necessary now to study, one by one, ways to eliminate trade barriers.

— Yomiuri Shimbun (Tokyo).

That Hanking for the Ranch

No sooner does a person reach the pinnacle of power than the longing sets in to return to private life. He has seen the elephant, he has experienced the exhilaration of driving in the fast lane, he finds it cold at the top and would like a little private peace and quiet.

We've seen it again with William Clark, President Reagan's national security adviser, who was said to be "wearing a little." He wanted to return to the ranch. Instead, Mr. Reagan gave him the ranch, appointing him secretary of the interior.

Mr. Reagan himself pines for the ranch, we are told, and as soon as he is out the door of the White House he leaps for the nearest horse ... Don't believe them.

Do William Clark, Michael Deaver, Edwin Meese or Ronald Reagan long for the ranch? No as much as they long for another four years at the peak, where they may enjoy the intoxicating scent of power.

— The Rutland (Vermont) Daily Herald.

Lebanon: A 'Victory' That Solved Nothing

By George W. Ball

PRINCETON, New Jersey — The Soviet Union has stationed 7,000 troops and advisers with Syrian forces, some within 50 miles of U.S. Marines, to operate and guard advanced Soviet planes and missiles. If the fragile cease-fire collapses, as seems likely, in another round of American bombing and shelling of Syrian-supported Lebanese forces, Soviet personnel might be killed, producing a U.S.-Soviet confrontation.

Now comes the news that Moscow is further increasing the Syrian buildup by sending in SS-21s — mobile surface-to-surface missiles with a 75-mile range. Although the White House is properly disturbed by this escalation, it is not clear why President Reagan is, in his words, "wondering about" a development that has long been predictable.

When Israel used advanced American weapons and equipment — in violation of American law and the terms on which they were supplied — to destroy Soviet-supplied SAM sites and planes protecting Syrian positions in the Bekaa valley, Moscow was bound to respond forcefully.

The Israelis, and even some Americans, celebrated that "famous victory" with glee, but those with a knowledge of history were dismayed. They knew the Israelis had committed — and the United States let them commit — a reckless blunder. Experience has shown again and again that no nation can embarrass a great power without inviting an ugly response.

By demonstrating that America's most advanced weapons were dramatically superior to relatively obsolete Soviet equipment, the Israelis compelled the Kremlin to act drastically to save face. So it replaced the destroyed planes and SAM sites with advanced equipment: MIG-23 and MIG-25 fighter planes, up-to-date M-72 tanks, SA-5 anti-aircraft missiles

— and now SS-21s, which can easily reach Israeli population centers.

That equipment necessarily brought in Soviet military personnel. Moscow is unwilling to let poorly trained Syrian pilots fly its finest aircraft against experienced Israeli airmen. Besides, it is far more cautious than Washington. Averse to letting other countries misuse its best weapons for purposes that may contravene its policies, it has never sent highly advanced equipment outside the Warsaw Pact boundaries except in the hands of its own personnel.

Thus, deployment of SS-21s, following a familiar pattern, adds one more element to the lamentable aftermath of Israel's adventure in Lebanon. Not only did it affect the Middle Eastern power balance by strengthening Moscow's hold over the Syrians and bringing in Soviet personnel, it has also drawn in American forces haphazardly close to the Russians.

While prior American administrations had considered Lebanon a dangerous trap and refused to expose U.S. forces to its factional infighting, Mr. Reagan reversed that policy when he deployed marines to halt Israel's bombardment of civilian areas of West Beirut and to facilitate the expulsion of PLO leaders, demanded by the Israelis. To be sure, he withdrew them after a brief period, but a precedent had been established; and, after the murder of President-elect Bashir Gemayel, and Israel's failure to protect Palestinian civilians from the camp massacres, he sent them back to remain indefinitely.

I doubt that the marines will take much comfort from the thought that the Israelis, who got the United States into this mess, have gone south for the winter. With a relentless singleness of purpose, Israel's leaders have never lost sight of their long-term objective — to impose what they



I've been on vacation. Whatever happened to Central America?

hope will be permanent hegemony on the southern third of Lebanon, an area that includes the waters of the Litani River, which they have long planned to divert to replenish their own depleting aquifers.

So while Mr. Reagan "wonders about" the Lebanese predicament, I hope he will ponder the lessons of this tragic year. In particular, he might take a tip from Moscow and stop supplying another nation with advanced weapons without effective measures to ensure that they are not used in violation of U.S. restrictions and in total disregard of U.S. interests and objectives. But that is more a pious hope than a prediction.

Israel, it is reported, is expected to ask for Pershing missiles to counter the SS-21s. What would that do? It would provide the means for a sneak attack to destroy those Soviet-manned weapons as Israel destroyed the Iraqi nuclear reactor — a splendid scenario for World War III.

However mindless it may seem, do not count on either the White House or Congress to refuse an insistent Israeli demand. Never expect sanity this close to a presidential election.

The writer was undersecretary of state in the Kennedy and Johnson administrations. He contributed this comment to The New York Times.

Israel: A Growing Military Role in Government

By Yoran Peri

NEW YORK — The new Israeli government faces a severe economic crisis and a stalemate in Lebanon, but there is another issue that may in the long run emerge as one of the country's most intractable challenges — the growing conflict between the military and the political establishment.

The rising tension between the two became clearly apparent in recent negotiations over the pullout from the Chuf Mountains. President Reagan asked Israel on Sept. 1 to postpone its withdrawal. The answer, as delivered by Defense Minister Moshe Arens to Secretary of State George Shultz, was, "Sorry, my generals have informed me that our withdrawal cannot be delayed. The wheels are already in motion."

In reality, the generals' reluctance to wait had less to do with the military facts on the ground than with their wish, based largely on political motives, to withdraw from the Chuf as soon as possible. Thus, the same military lobby that had pressured the government to invade Lebanon on June 5, 1982, now imposed its will for an immediate pullout.

The military's interference in the political process is not new. Yet even knowledgeable observers of the Israeli political system underestimate the army's importance. They have been impressed that, despite its involvement in virtually continuous wars, Israel has not become a garrison state. They have concluded that Israel's vital democracy is rooted in strong civilian control of the military.

The assumption is not borne out by the facts. Far from being controlled by the government, Israel's army enjoys a de facto partnership with the civilian politicians. What is the evidence for this partnership?

First, Israel is the only Western democracy in which the army is a crucial avenue into top political jobs. In the 35 years since Israel was founded, one prime minister, two deputy prime ministers, two foreign ministers, two defense ministers and many other key ministers came to their posts directly from the military. Nearly 20 of the some 140 local political parties that will compete in the municipal elections scheduled for Oct. 25 are headed by former officers.

Second, the political means available for controlling the military are extremely weak. Responsibility for military matters is not clearly divided among the prime minister, the

defense minister and the cabinet. The Knesset has only a marginal say in decisions about defense policy, and the military budget, nominally set by the Knesset, is in reality determined by the military.

Third, the occupation of the West Bank and Gaza has given the military new authority and scope for action. Soldiers administer the daily lives of more than 1.5 million inhabitants, and are thus necessarily involved in political decisions.

The military's political role has been concealed for many years by generals and politicians alike. Military censorship, the army's almost sacred position in Israeli society and the myth that the armed forces are apolitical — all this helped to hide the truth until a series of crises began to crack the wall of secrecy.

During the war in Lebanon it was revealed that military actions were being initiated without prior government approval. (Ariel Sharon, then defense minister, also transgressed his political responsibilities, acting as his own chief of staff, thus further blurring civilian-military boundaries; high-ranking officers fiercely questioned his conduct and demanded his resignation.) The

tension between political and military leaders has continued unabated since the war, as cabinet members have tried to achieve some control over the increasingly headstrong military establishment.

Officers who took part in the war are increasingly critical of the politicians. Among other complaints, they claim they were not able to drive the Syrians out of Lebanon during the war because political directives contradicted military logic.

In the past, despite the army's strength and the weakness of civilian control, the military traditionally yielded to political leaders. But with the departure of Menachem Begin, the founding fathers' influence comes to an end and an important means of political control of the military may well disappear. Increasingly, Israelis expect and fear not only growing tension between military and political leaders but also growth in the military's power over political decisions.

The writer, political adviser to Prime Minister Yitzhak Rabin in 1974 and 1977, teaches political science at Tel Aviv University. Author of "Between Battles and Ballots: Israeli Military in Politics," he contributed this article to The New York Times.

Reagan Is Steering His Foreign Policy Centerward

By James Reston

WASHINGTON — When President Reagan introduced Robert McFarlane as his assistant for national security affairs in the White House, he spoke about the importance of "experience" and also about the need for a strong America and an effective bipartisan foreign policy.

Mr. Reagan's first appointment as national security adviser, Richard Allen, was a man of long experience and strong, honest anti-communist convictions. His second, William Clark, had little experience but strong loyalty to the president. Neither was primarily concerned about "need for an effective bipartisan foreign policy."

Both failed, for different reasons. Mr. Reagan almost wept at their departures as he did when Secretary of the Interior James Watt finally had the good judgment to quit while he was behind. Mr. Reagan gave them the usual letter of sad farewell, but he did not bar the door.

He was probably right. To get backing for his foreign policy, he needed bipartisan support. What he did not need, or so it seems, was a national security adviser like Jeanne Kirkpatrick, the chief U.S. delegate to the United Nations, who is a symbol to the anti-communist right wing of the Republican Party.

It is clear that Mr. Reagan is taking a different tack as the 1984 election approaches. He is moving away from the extreme right toward the center, where elections are usually won.

Even under provocation from the Soviet Union, he is cooling his anti-communist rhetoric, agreeing with the allies to try at the Geneva talks to find a compromise on the control of intermediate-range nuclear missiles, and appointing moderates like Mr. McFarlane — thus risking the hostility of the right-wing Republicans who helped put him in office.

The president chose the easy way, and he may very well have been right to choose Mr. McFarlane. But he may have been wrong. Mrs. Kirkpatrick has ideas, and sometimes will not even take "yes" for an answer, but she is the most impressive woman to appear around here in a long time, and even if you disagree with her you have to be careful.

Meanwhile, there is always another question. If the president, as he says, really wants "an effective bipartisan foreign policy," shouldn't he submit

his nomination of Mr. McFarlane to the Senate for confirmation?

This is an old chestnut in Washington. Henry Kissinger, who has held the job and also been secretary of state, says no. On balance, he thinks the national security adviser should be the president's man, not subject to confirmation by the Senate and not subject to call by Congress to explain what advice he is giving the president.

But Zbigniew Brzezinski, who succeeded Mr. Kissinger in the post, thinks that "consideration should again be given to making the nomination of the assistant for national security affairs subject to senatorial confirmation."

In his book, "Power and Principle," he explains why:

"As the United States moves into the 21st century, with its global involvement, so intense and so central to our national survival, the nerve center for national security is bound to be increasingly the White House."

The separate departments and agencies of the federal government, he argues, all are involved in foreign policy, the CIA — and no one will submit to the authority of the other, but only to the White House. Therefore, as the world has changed, the government structure must adapt to

deal with the realities. And these, he concludes, cannot be handled except in the White House.

Nevertheless, Mr. Brzezinski concedes that if the White House is to be the engine of foreign policy, and the national security adviser the primary source of facts and advice to the president, then the adviser, when he is appointed by the president, should be subject to confirmation by the Senate and should not hide behind executive privilege but be required to answer the questions of the House and the Senate when called.

It should be possible, with a little common sense, to avoid a conflict between the White House and Congress about Mr. McFarlane and his new job. He is probably better qualified to fill it than many of his predecessors, and would welcome any questions the Senate could throw at him. It's not a big deal.

The men appointed as national security advisers in America have been as good an outfit as any advisers in any other country in the world. The main question is whether they will have the experience to win the trust of Congress and the country.

That was Mr. Clark's problem. But Mr. McFarlane, while not widely known, has been around longer than almost anybody else in the Reagan administration, and if given a chance he will undoubtedly make his way.

The New York Times.

El Salvador And Death: Still There

By Anthony Lewis

NEW YORK — "The Reagan administration complains about the death squads in El Salvador, but its policy is for military victory, with negotiations only as window dressing, and that doesn't give any chance to human rights. It just encourages the far right."

"And the policy isn't working. The 'military progress' is fading away. So there will be more escalation and more American involvement."

The leader of the Salvadoran political opposition, Guillermo Ungo, was talking over breakfast in a New York hotel room. He was on a trip to the United States, looking for understanding in what would have to be called a bleak climate. Perhaps really he wanted to remind North Americans that El Salvador is still there.

"President Reagan has been clear enough," Mr. Ungo said. "He is not going to lose his El Salvador. So U.S. intervention is going to increase. They have four to five thousand soldiers on Honduran soil now. They want to accustom the American people to soldiers down there."

Mr. Ungo, a social democrat, heads the Democratic Revolutionary Front, the political group allied with the guerrilla coalition that is fighting against the Salvadoran government. He worked inside the system for years, but the right-wing forces that have dominated the country by murders and coups forced him out.

In 1972 he ran for vice president on a ticket headed by José Napoleón Duarte. They won, easily, but the army denied them office and killed them. After a coup by young officers in 1979 the two men returned as part of an interim regime, but Mr. Ungo quit when reforms that had been promised were blocked. Soon afterward he got death threats, his family's printing business was bombed and he fled. When the remaining opposition leaders in the country were gunned down, he became president of the political front.

The Reagan administration's position is that Mr. Ungo and his movement should join in the elections that the Salvadoran government plans to hold next year. I asked him why they had rejected that idea.

"Is it possible to have free elections?" he asked. "With all the might of the Americans it has not been possible to punish the killers of the four American churchwomen, or of the two American advisers. What about the killers of the archbishop? Or the thousands of other victims?"

"We suggested meeting the representatives of the government in a safe place, an embassy or the Apostolic Delegation. But the government said no because they are frightened of what would happen to them."

"How are we going to participate in elections if nobody is willing to talk — just to talk — because then he might be killed? Just to talk about talks is a death sentence! This is so obvious in El Salvador that we're amazed it's not understood in the U.S. It's a bloody joke."

Death squads lately have abducted the Salvadoran Foreign Ministry's third-ranking official and five university professors, and murdered 15 labor union members. Human rights groups estimate that 36,000 citizens have been murdered or kidnapped in the last four years. Washington's protests have been ineffectual.

The extreme rightist who heads the constituent assembly, Roberto d'Aubuisson, recently labeled a union leader with close ties to the AFL-CIO a guerrilla sympathizer. When the U.S. ambassador complained, Mr. d'Aubuisson repeated his smear.

"The unions are under threat," Mr. Ungo said. "The 'reformist' government is becoming more rightist all the time. And it is going to go on that way as long as the United States shows that it does not really believe in political negotiation."

The formula pushed by Mr. Ungo's group and the guerrillas is power-sharing: a broad-based government, including the opposition, and then elections. I asked him how that would stop the death squads.

"When they know that they are part of the structure of power," he said, "that they have immunity, they'll go on doing it. But if they know they will be punished, it will change. It's not going to be heaven, but at least not hell."

Mr. Ungo, who is U.S.-educated, said he never felt at odds with Americans until Reagan. "The Reagan people say that we were reasonable Mr. Ungo might be, his Marxist colleagues among the guerrillas would overwhelm him if they were."

He says all the leftist forces have concluded that military victory is not the answer, that they must get along with the United States.

My sense after meeting him is that there can be no solution in El Salvador until the United States enters into a genuine political dialogue with Mr. Ungo and what he represents.

The New York Times.

LETTER TO THE EDITOR

Sitting the United Nations Regarding "Manhattan Is Still Where the UN Belongs" (JHT, Sept. 29) by Daniel Patrick Moynihan:

Senator Moynihan refers to the voting to choose a site for the United Nations that took place at the Preparatory Commission of the United Nations held in London in the fall of 1945, and says that although there was strong sentiment for a European site, that proposal failed by a 25-23 vote. This is not the whole story.

The choice of the site was ardently contested. As a two-thirds majority was needed, the supporters of Europe or the United States were hesitant to bring matters to a vote, fearing that the first proposal voted on would not receive the required number of bal-

lots, and that some countries would then switch to the alternative resolution, thus allowing it to be carried. And that is exactly what happened.

The minutes of the meeting of Dec. 18, 1945, under the presidency of Mr. R. Maccaochan, delegate for Uruguay, read in part: "Since many delegates had declared themselves in favor of Europe, it was considered that one among them should put this proposal in the form of an amendment. In the absence of such a motion, the Chairman himself submitted an amendment that Europe be substituted for the United States. This proposal was seconded by the delegate of Colombia, and after a lengthy exchange of views (in which various members in favor of a site in Europe protested vigorously) it was decided that the

proposal for placing the seat of the United Nations in Europe had been only made and seconded as an amendment, was quite in order and should be put to a vote."

As mentioned by Senator Moynihan, this amendment was defeated, 25 to 23; and the committee proceeded to vote on the proposal that the permanent location be in the United States. The result this time was 30 in favor, 14 against and 6 abstentions. Five delegations — India, Iran, Poland, Turkey and Uruguay — changed their vote; Ecuador, Ethiopia, New Zealand, Syria, the United States and Colombia abstained.

It may be revealed now, almost 38 years after that memorable meeting, that the strategy to obtain this result was carefully worked out by Adlai

Stevenson, Ambassador Eduardo Zúñiga Angel of Colombia, president of the commission, and Mr. Maccaochan, who presided over the vote.

On both occasions, as Senator Moynihan correctly states, the Soviet Union supported the United States. The underdoged was the Colombian alternate delegate and voted as indicated. It is of interest to add that there were 50 countries represented, while today the United Nations has three times that number of members.

DIEGO GARCES-GIRALDO, Pully, Switzerland.

John L. Hedges, author of a letter published on this page yesterday, is counsel of the U.S. Information Agency in Washington.

FROM OUR OCT. 20 PAGES, 75 AND 50 YEARS AGO

1908: Naval Disasters Sink a Minister
PARIS — M. Thomson, Minister of Marine, has resigned his office after a debate in the Chamber of Deputies on the French naval disasters, and particularly the blowing up of the Iena. The feature of the debate was the intervention of M. Delcassé, who was president of the commission of investigation into the Iena catastrophe. M. Delcassé severely attacked the Ministry of Marine, declaring that the blowing up of the Iena and all the other disasters which have occurred in the French Navy during the past few years were due to the fact that the Ministry would pay no attention to the frequent warnings given by the technical men immediately concerned.

1933: Watching the Balearic Islands
MADRID — "El Sol," in a front-page editorial on the dangerous political situation in Europe, observes that "military experts from many European countries have for some time been frequenting the Balearic Islands." More importance should be attached to this, and to the invasion of foreign capital in Spain's Mediterranean islands, says the paper. The republic took cognizance of the strategic position of the Balearics and began the dredging of the port of Mahon, Minorca, and the strengthening of fortifications there. Also, the recent turn of events in Europe has caused discussion of the proposed tunnel beneath the Strait of Gibraltar connecting Europe with Africa.

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Beijing Struggles for Purity in Dress As Western Fashions Make Inroads

By Christopher S. Wren

New York Times Service

BEIJING — The new dress code of the Beijing municipality is a barometer of today's ideological climate, in which there have been many warnings that decadent bourgeois tastes and values are infiltrating China under the country's open-door economic policy.

Young municipal employees were told recently to avoid "bizarre dress" or be turned away from the office.

Men must cut their hair and shave off sideburns and mustaches, and women may not have hair longer than shoulder-length or wear heavy makeup or earrings or other "unhealthy ornaments."

"We must preserve our habits of simplicity and bitter struggle," Beijing Daily explained in publishing the new regulations, which took effect this month.

Chinese are no longer confined to the baggy jackets and trousers that passed for fashion under Mao. Last spring, Hao Jianxin, a member of the party Secretariat, said that people should not be afraid to dress better. Miss Hao even managed a good word for the *qipao*, the traditional tight-fitting women's dress with the slit up the side.

Prime Minister Zhao Ziyang and the party chief, Hu Yaobang, have appeared in Western suits and ties at official functions. But most officials, including China's paramount leader, Deng Xiaoping, stick to the familiar high-collared tunic popularized by Sun Yat-sen, father of the Chinese Republic.

This summer, many young women blossomed in bright print dresses, and some young men wore pastel T-shirts like one from Shanghai that proclaimed its owner a "vigorous, graceful sportsman." But fashion is very much seasonal in China. This fall the Chinese are reverting to monotonous blue and olive-drab work clothes padded out with layers of long underwear.

When it was warmer, some young people took to fashion with a zest that disconcerted their elders. Last May, 700,000 visitors jammed a monthlong exhibition of Western-style clothing made in China and bought nearly a million garments.

Better clothing has become available because China is making modern apparel for export. When the United States imposed a limit on textile imports from China after the two sides had failed to agree on a new pact, clothes intended for the United States began spilling out onto the sidewalks of Beijing.

Plaid flannel shirts with an American label and \$11 price tag were being sold for the equivalent of \$2 apiece. The supply has dried up since a new textile agreement was reached.

Bolder Western styles, including blue jeans, are smuggled up from Hong Kong by way of Canton and sold by black-market peddlers. A pair of sunglasses with a foreign label still passed on one lens is the most prestigious accessory.

Conservative Chinese feel that the trend is going too far. "Go down to Wangfujing," said,

an older man, speaking of a major shopping street in Beijing. "You'll see young girls walking around in suggestive clothes trying to catch the attention of the boys. And the boys go to the barber shop and have their hair curled so you can't tell them from the girls."

The scene looked tame by Western standards. But the authorities, sensing a distinction between bourgeois unisex and proletarian unisex, are trying to draw the line.

The Xidan Department Store reported a few weeks ago that it had required more than 70 of its young salesmen to shear off "strange" hair styles and more than 20 saleswomen to give up their earrings, eyebrow pencil and lipstick.

Beijing Daily quoted store officials as saying that such "unhealthy beauty" was not only distasteful but also "enticed certain customers with unhealthy thoughts to tease the employees and distract them from working well."

The interest in fashion seems largely confined to urban young people who already have a job or are waiting for one. University students tend to dress down in the familiar baggy blue, though some women at Beijing University have cut their pigtails and treated themselves to home permanents.

The university look is based on conformity, not rebellion. With less than 4 percent of Chinese youth able to get a higher education, those who make it hew to the proverb that "the gun shoots the bird that sticks its neck out."



A salesman wrapping up a garment during an exhibition of Western-style clothing in Beijing. Nearly a million pieces of clothing were sold at the monthlong exhibition in May.

Back to Paris With Saint Laurent Saying Yes to a 'More Feminine, More Sensual' Woman

By Hebe Dorsey

International Herald Tribune

PARIS — With the showing of Yves Saint Laurent's collection Wednesday, the Paris fashion season drew near closing, and the chips were quickly falling into place. No Japanese influence here, no drooping hemlines, no drawstrings and no folklore, except for a light African theme.

Many designers have been hiding women under black shrouds,

PARIS FASHION

but Saint Laurent did exactly the opposite. With him, it's yes to legs, arms, waists and breasts. Yes, in fact, to a new and tender woman whom he sees as "more feminine, more sensual," as he said after the show.

She certainly was all that and then some with ruffled chiffon-covered breasts — covered up with equally filmy ruffled chiffon shawls, which made the models look as if they were wrapped in cotton candy.

As time goes on, a Saint Laurent collection increasingly becomes an exercise in style, a permanent updating of his old classics, and this did not deter his adoring fans, many of whom turned up in identical leopard-print blouses from his last couture collection.

There were at least six of them, including Paloma Picasso, Anita Smaga of Geneva, and Mrs. Irving Matthews, from Frost Bros. of Texas.

Catherine Deneuve, who sat next to Picasso, also wore leopard print, but hers was only a scarf. The Saint Laurent fans all raved after the show.

"One may already own four coats of dress," said the decorator Andre Putman, "yet one is sure to buy four more."

This collection was also so pure and clean it cleared up the air, which had become fogged up with all kinds of tricks and gimmicks.

Bernie Ozer, fashion director of Associated Merchandising Corp., said: "After a lot of the garbage we've seen this week, this was like coming home to Paris."

Even his chemises, which Saint Laurent developed with a brilliant hand, were soft and seductive. Introduced in his last couture collection in July, the chemise has been copied all over Paris, but only Saint Laurent really knows how to make it work. For him, it's not just another boring sack-dress.

He has a way of diversifying it through a constant change of proportions, different sleeves and surprising color combinations. He also always softens it with long chiffon



Saint Laurent — No folklore, but an African mood.

scarves floating about the neck. The prettiest was a short, sleeveless black tunic, with a strongly belted waist, and a skirt that often split way up the thigh.

As usual, Saint Laurent's favorite fabric was jersey, followed by poplin and linen. Black and white was a sure-fire combination, although he also introduced some brilliant concoctions such as purple and mustard, and pink with brown.

The V-neck, back-buttoned chemises, often worn over short leather skirts, were filled in at the neck with wide bills made of mother-of-pearl or huge wooden beads, a primitive note that was picked up later in his African-inspired clothes.

Even when his woman was flirtatiously feminine, Saint Laurent always knew just how far he could go, with an instinct that makes him the most Parisian of all designers.

Bare arms were a new direction, and the sleeveless black turtleneck

T-shirts over flared skirts were a young and fresh addition.

"It's been a long time we haven't had them," said somebody from the house, adding that they were not exactly easy to sell. "Women will have to pick up calisthenics," she added.

Other establishment designers who showed this week included Hsiao Mori, a Japanese designer who is more and more making her mark on Paris fashion.

Her collection, as usual, was a blend of Japanese and Parisian, with both themes impeccably rendered. Her opening included a string of sailors, in fresh navy and white with a light scatter of gold stars. This look was repeated on both suits and dresses, with oversize white collars and ruffled white gloves.

Emanuel Ungaro had a young and peppy collection, with a frivolous ending of short and kicky tutu dresses.

Givency had beautifully shaped dresses for day and night, and a new after-five look, with easy pleated dress dropped nearly to the ankle. Oner Givency triumphs included short and strapless cocktail dresses.

As for Jacqueline de Ribes, a socialite who has joined the working corps, she showed her second collection Tuesday night at the private club Cercle Interallie on the Rue du Faubourg Saint-Honore, using a runway framed by banks of flowers and a geometric logo — all strongly reminiscent of Saint Laurent's premieres.

So were a lot of the clothes, which should not surprise anybody since he's been a favorite designer of hers for a long time. But many of her clothes, especially the one-shoulder crepe evening dresses, were beautiful and aristocratically de Ribes.

Her first collection is said to be selling quite well in America. Saks Fifth Avenue based a big promotion on hers for a long time. But many of her clothes, especially the one-shoulder crepe evening dresses, were beautiful and aristocratically de Ribes.

So did her mother, Paule de Beaumont, who added, however, that she was not buying any of it "because I don't dress in America."

Upper Volta Shuts Nightclubs

Reuters

OUAGADOUGOU, Upper Volta (Reuters) — Upper Volta's new leftist leader, Captain Thomas Sankara, has ordered the country's nightclubs closed and replaced by ballrooms with dancing to "revolutionary music" rather than to "bourgeois laments on women and money themes."

Rangoon Blast Puts Neutral Burma in Unwelcome Spotlight

By Robert Trumbull

New York Times Service

RANGOON, Burma — The bomb explosion that killed four South Korean cabinet ministers and 17 other persons here Oct. 9 had a major effect on the neutralist and isolationist Burmese, according to foreign diplomats here.

"Besides confirming their innate distrust of all foreigners, the incident was a deep affront to the Burmese tradition of strict neutrality," a Western diplomat said, alluding to the conflict between South Korea and North Korea, both of which maintain embassies in Rangoon.

This is the first time that Burma has been involved in an international incident with ideological connotations since the country settled a long-standing border problem with China in a 1960 treaty, the diplomat said.

As a result of the bombing, the Burmese are "entangled in the kind of international situation they try hard to avoid," the diplomat said.

Although a founder of the group espousing nonalignment, Burma withdrew from the organization when the group issued a communiqué after a 1979 meeting in Havana, Cuba that was deemed to lean too heavily toward the Moscow line in East-West disagreements.

"Burmese carry neutralism to almost absurd extremes," said another Westerner. He added: "You can't get them to take a position on anything."

"The naturally warm and friendly Burmese have a great sense of humor — some like to call themselves the Irish of Asia — and have cordial relationships with foreigners on the individual plane, but officially all foreigners are kept at

arm's length," said a Westerner who has lived in Rangoon for several years.

Only the Indians and Chinese are really "hated" in Burma, he said, because their historical role in Burma is seen as that of money lenders and landlords.

If investigation of the Oct. 9 bombing establishes that North Koreans were behind the plot — a charge made by South Korea and denied by North Korea — Burma may have to depart, however painful the step may be, from the scrupulous neutrality that moved Rangoon to remain silent on last month's downing of a South Korean airliner by a Soviet fighter plane.

The Burmese have already been offended in the bombing aftermath by South Korean demands, granted with apparent reluctance, that Seoul be allowed to assign its own investigators to work with the Bur-

mese authorities investigating the crime. The South Korean security agents are described in the Burmese news outlets, owned by the government, as "special envoys."

South Korea has already requested the closing of the North Korean Embassy in Rangoon if North Korean involvement in the bombing is established.

Philippine Union Plans Mass Protests

United Press International

MANILA — Leaders of a militant labor organization announced plans Wednesday for a series of mass protests in support of a demand for a 50-percent raise for about 500,000 factory workers.

The announcement by the Manila-based May 1 Movement could signal the start of participation by organized labor in continuing

protests against the regime of President Ferdinand E. Marcos.

Mr. Marcos, 66, has remained secluded amid growing speculation he is ill. Palace sources said the president had no engagements for the rest of the week.

Major unions have stayed away from anti-Marcos protests since the Aug. 21 slaying of the opposition leader Benigno S. Aquino Jr.

Here Swissair would like to add one more to its list of services: a concise statement of its fare system.

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We wish all passengers with the green boarding pass a pleasant flight.

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We wish all passengers with the red boarding pass a pleasant flight.

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SCIENCE

Search for Male Contraceptives Lags

By Jane E. Brody
New York Times Service

ALTHOUGH science's understanding of male reproductive physiology has leaped in the last decade, the research has not produced effective, easy-to-use contraceptives for men. Only one method, the century-old condom, is both as effective and safe as some of the contraceptives available to women.

The outlook for male contraceptives is not much brighter. A report just issued by the Alan Guttmacher Institute outlined 11 new birth-control techniques "on the horizon"; only two were for men. Even those—gossypol, a cottonseed oil derivative that interferes with sperm production, and synthetic forms of the brain hormone LHRH, which turns off testicular function—have at least eight years of experimentation and testing before they are commercially viable, assuming their serious side effects can be circumvented. The World Health Organization has said it might be as many 20 years before a new male contraceptive is marketable.

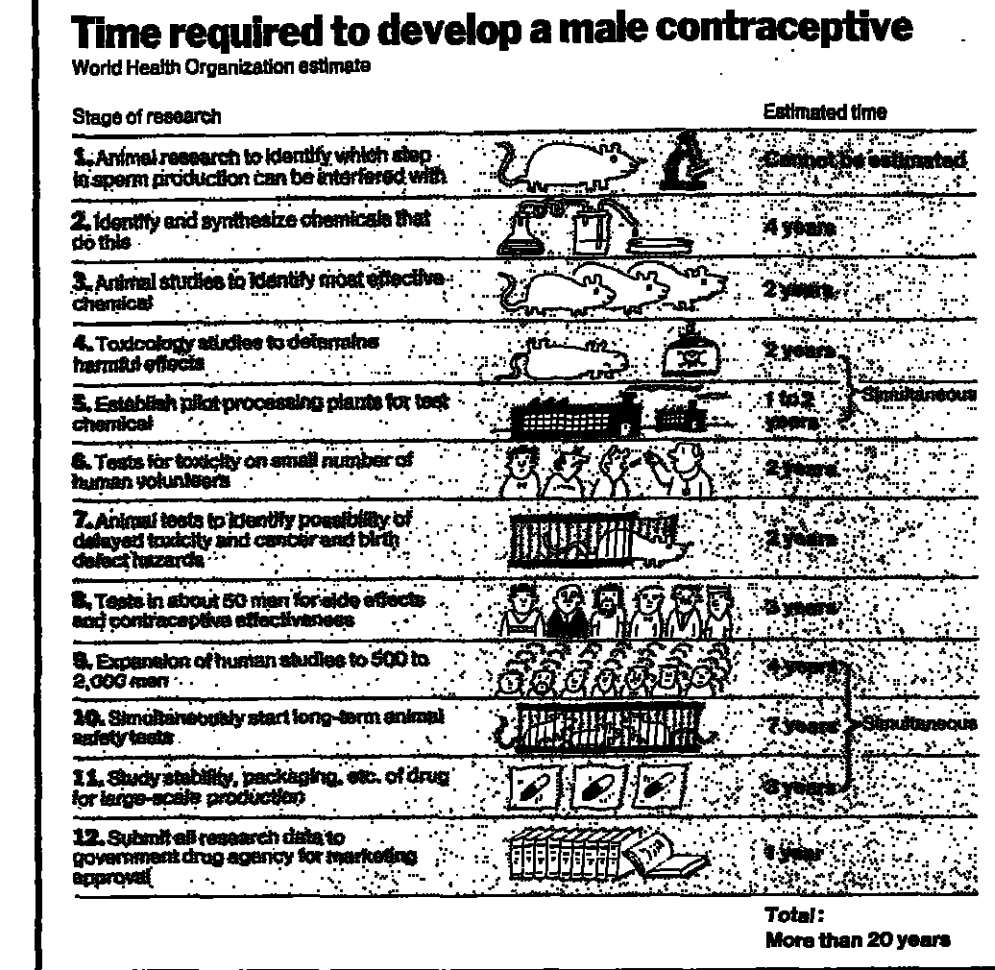
That leaves men with very few alternatives: withdrawal, a technique that held down population growth in France and other European countries until about 1960; the condom; and vasectomy. Women can choose from among 11 contraceptives.

Many feminists believe male chauvinism led to this inequality. Many experts agree it has been a major factor, though not the only one. Women themselves bear some responsibility. Margaret Sanger and other leaders of the American birth-control movement in the early 1900s wanted to give women control of their own fertility; they ignored male contraception.

Through the years, advocates of birth control have continued to emphasize female contraception. Moreover, men perform the bulk of contraceptive research and some people believe that male researchers feel more comfortable tampering with a woman's physiology than with their own.

Dr. Wayne Bardin, director of biomedical research at the Population Council in New York, says medicine has reinforced the focus on female contraception. There has long been an established medical specialty in obstetrics and gynecology, but no comparable specialty devoted to the male reproductive system. Urologists, whose province it could be, concentrate on genitourinary abnormalities. The few who specialize in reproductive problems are concerned with male infertility.

Behind the sexual politics and



proclivities of the medical profession, however, basic biology remains the greatest barrier to developing male contraceptives.

A woman produces only one fertile egg a month. A man produces perhaps 30 million sperm a day, any one of which can impregnate an egg. In plain terms, it is simpler to disrupt production of one egg than millions of sperm, particularly since a drug that reduces sperm production 90 percent might still leave a man fertile. It may also be safer for the fetus. A woman is born with a lifetime supply of eggs. But a man's sperm form daily and can be genetically damaged during that formative process by, say, sperm-blocking chemicals.

The organ that produces sperm also makes the male sex hormone testosterone, which is responsible for libido, potency and secondary sex characteristics, such as a deeper voice. Medical experts have found that shutting down sperm production also shuts down testosterone, resulting in impotence and loss of libido. (Experimental contraceptives have their own side effects, including shrinking of the testicles, breast enlargement and increases

in blood cholesterol.) By contrast, ovarian function does not have to be wholly suppressed to prevent ovulation. And since a woman's libido is not a function of ovarian hormones, but of testosterone produced in the adrenal glands, side effects are more easily avoided.

The process of conception can be disrupted at various points: the release of the egg, the migration of sperm to the egg, fertilization, the implantation of the fertilized egg in the uterine wall. Male fertility can be interrupted only at the site of sperm production, maturation or release, and even these sites may prove unworkable. Since it takes sperm about three months to develop to the point of release, a drug that suppresses the production process would not become fully effective for three to six months. A return to fertility would be similarly delayed.

Whereas synthetic hormones that control female fertility are effective orally, those that stop sperm production are inactivated in the digestive tract. According to Dr. Gabriel Bialy, director of contraceptive development at the National Institute of Child Health and

Human Development, research and development in male contraceptives has thus centered on drugs that can be implanted under the skin, administered through injection or, perhaps, inhaled.

The institute is spending about twice as much on developing contraceptives for women as for men. The Population Council has allocated its money in a similar fashion. Dr. S. Bruce Schechter of the Population Research Center in New York says the major drug companies are researching male contraception, but admits the focus is on women.

This is because none of the male methods are far along," Dr. Bardin says. "Nothing we've tried has made it to the final phase of clinical testing."

■ Cervical Cap Called Safe

The cervical cap, classified by the U.S. federal government as a contraceptive, is a safe birth-control device that can be as effective as a diaphragm, according to a preliminary research report involving 950 women, the Associated Press reported from Los Angeles.

The Need for Heretics in Science Ranks

By William J. Broad
New York Times Service

THE award of a Nobel Prize last week to Dr. Barbara McClintock for biological work once regarded as heretical spotlighted not only a gifted researcher but also the tension underlying all scientific progress, between researchers who uphold the status quo and those who rebel against it.

Dr. McClintock, a gentle heretic for most of her 81 years, reported 30 years ago that genes, the tiny beads of genetic information in each cell, can "jump" like pearls moving mysteriously from one necklace to another. At the time her peers greeted the idea with stony silence. Last week, however, the Nobel committee hailed it as the product of "great ingenuity and intellectual strategy," a discovery that has helped explain the great genetic variability found in nature.

Despite Dr. McClintock, some scientists argue that today's "big science," codified in textbooks and cozy with government, has become too conservative for its own good.

The proof may be in the recent growth of an organized scientific counterculture. Scientists and skilled amateurs worldwide are founding societies and publishing journals that explore the unorthodox in subjects ranging from nuclear physics to psychology.

Science and Technology, for example, a journal published in Perth, Australia, takes a distinctly theoretical approach to the forefront, but in a professional fashion typical of the new heretics. Three of 14 authors in its first issue hold university appointments; the rest list addresses at private residences or research laboratories.

"We do not expect that a large number of the ideas presented here will find general acceptance," Dr. William M. Honig wrote in his inaugural editorial. But exposure of heretical ideas, he insisted, tests "our accepted ways of thinking about science."

Officials at the International Society of Cryptozoology in Tucson, Arizona, where scholars devote their attention to creatures that are lost or legendary, say their work has already caught the establishment's eye. Hundreds of scientists subscribe to the society's journal, whose articles, such as a recent report about a man-like creature in China, have prompted serious debate. Dr. Marcello Truzzi, a sociologist at Eastern Michigan University and director of the independent Center for Scientific Anomalies Research commented: "Oddities are very often the driving force for change in the sciences."

The status quo and its institutions help to winnow through the trivial and bogus. "Journals are bombarded with contributions offering fundamental discoveries in physics, chemistry, biology or medicine, most of which are non-sensical," the philosopher Michael Polanyi wrote in "Knowing and Being." Science cannot survive unless it can keep out such contributions and safeguard the basic soundness of its publications.

But conservatism can go too far. Many U.S. scientists fear that peer review panels that mete out billions of federal research dollars each year tend to shun the unorthodox. Dr. Thomas Gold, the Cornell University astronomer who discovered the physical nature of pulsing radio stars, or pulsars, said he has observed peer review groups moving "nearer and nearer the center of gravity of opinions in a field."

The heretic's path today is littered with potholes unknown to rebels of the past. There is the sheer cost of experiments. Particle physicists, for instance, recently proposed building an atom-smasher at a cost of \$2 billion to \$4 billion. A young physicist with a wild idea has little chance of working with such an expensive tool, particularly when there are only a handful of these machines and hundreds of researchers clamoring to use them.

Then, too, many scientific fields have a mature body of theory long proved correct. "There is something about a mature field that makes it hard to be right when you are taking large risks," said Dr. Gerald Holton, a science historian at Harvard and president of the History of Science Society.

Revolutionaries must come up through the ranks, first mastering the jargon and methods of their respective fields, then jockeying for research support. "I've seen situations where somebody has a good unconventional idea, but they encounter enormous problems if they work outside the normal framework," said Dr. Kenneth G. Wilson, a Cornell physicist and Nobel laureate. "It's really hard to go far unless you have mastered the routine."

So the loyal opposition has taken root outside the framework, where its membership and professionalism are swelling. Among the more diligent is William R. Corliss, a physicist who worked as a science writer for the federal government and now directs The Sourcebook Project in Glen Arm, Maryland. For more than a decade, Mr. Corliss has searched out and cataloged the inexplicable. His volumes, which should number 25 when the

project is completed, have attracted more than the curious.

For instance, thermonuclear fusion experts, who confine atoms at high temperatures in a quest for a source of nearly limitless energy, have looked for inspiration to the phenomenon of ball lightning, which Mr. Corliss' books document in detail.

"It's intriguing stuff that serves a useful purpose," said Stephen Jay Gould, the Harvard paleontologist and science commentator. "I'm glad these other guys are out there."

CURRENTS

TV Beams May Help Curb Acid Rain

PITTSBURGH (UPI)—The U.S. Energy Department has sponsored a \$6.2-million test project to find out if television beams can help to clean up acid rain, which is formed when sulfur dioxide and nitrogen oxides are released into the atmosphere of those two chemicals going up the stack.

"The trick is to reduce the amount of those two chemicals going up the stack," Robert Ottmann, a department spokesman, said. "There are a lot of ways to do this, but the commercially available technology is expensive and consumers are burdened with the cost."

He said the new process, in which electron beams—called E-Beams—are aimed through fine gases in boilers, creates a chemical reaction forming solid particles of ammonia salts that can be removed and used as fertilizer.

Keeping Pets Said to Benefit Health

LONDON (AP)—People who keep pets are both physically and mentally healthier than people without pets, according to a Cambridge University animal behaviorist, James Serpell.

Mr. Serpell writes in New Scientist magazine that owners who talk to and stroke their pets are also lowering their blood pressure and easing nervous tension and depression.

The benefits of pet owning are underestimated and misunderstood, the researcher said. Britain has 5.7 million pet dogs, 5.2 million cats and several million parakeets, canaries, rabbits and other animals.

Sharks' Fins Used in Cancer Research

BOSTON (NYT)—An extract derived from shark-fin cartilage contains a substance that inhibits the growth of new blood vessels that lead into cancerous tumors, according to a Boston research team quoted in the journal Science.

Previous studies using cartilage from calves' shoulders demonstrated the same sort of inhibitory action on tumors, but while cartilage represents less than 0.6 percent of calves' body weight, the cartilaginous fin and vertebrae of a shark compose about 6 percent of its total body weight. The shark cartilage extract also needs less refinement and is far more potent.

In the study, an extract made from the fins of basking sharks was tested on tumors implanted in the eyes of white rabbits. A control group that received an inactive extract showed the growth of a network of blood vessels originating from the cornea. The vascular network did not appear in the experimental group. The inhibitor, as yet chemically unclassified, does not appear to act directly on the tumor itself; in both groups, the tumor enlarged slightly.

Satellites Monitor Humpback Whale

NEWPORT, Oregon (AP)—A computerized radio transmitter attached to a free-ranging humpback whale off Newfoundland was tracked by polar satellites, enabling scientists to observe the whale's behavior without interfering with it.

When it surfaced to breathe, the whale sent signals detailing the water temperature, the length of time since the last dive and information needed to derive the whale's location. The polar-orbiting satellites were near enough to receive transmissions only about 10 percent of the day.

The satellite is no longer receiving signals from the whale, which was tagged in July, and Bruce Mate of Oregon State University, who led the research team, said he believed the transmitter had fallen off. Ultimately, however, he hopes contact may be maintained for periods of more than six months.

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Key Money Rates

United States

Canada

Europe

Japan

Rest of World

Key Money Rates

United States

Canada

Europe

Japan

Rest of World

THURSDAY, OCTOBER 20, 1983

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WALL STREET WATCH

By VARTANIG E. VARTAN

Long-Term Treasury Bonds Viewed As Superior Investment to Equities

NEW YORK — While many money managers fret over the rotation of group favorites in the stock market, Paul Trevor sticks resolutely to his opinion that long-term Treasury bonds are a superior investment to equities. His basic belief is that the risk-reward ratio favors government bonds.

Mr. Trevor, 61, is chairman of Trevor Stewart Burton & Jacobson Inc., which manages \$150 million in assets, mainly for pension funds, endowment funds and similar institutional clients. The firm holds to the central thesis that "the economy will grow at a moderate rate over the next year and perhaps longer and that the resumption of the inflationary trends seen in the last 15 years is unlikely."

Mr. Trevor's firm states that "whether or not we have renewed inflation is fundamentally a political decision." It goes on to observe: "Next year is, of course, a presidential election year, and it would seem that the Republicans would not want to see renewed inflation or even expectations of renewed inflation at election time, because if that happened they would have accomplished nothing during their four years of office except create a deep recession."

Prospects for a moderate growth rate for the economy suggest to Mr. Trevor that the trend of interest rates — and long-term rates in particular — continues to be down. "The rise in interest rates we saw this summer, in our view, should be regarded as a correction in a long-term downward," he said.

Yields for long-term Treasuries rose as high as 15 1/2 percent in 1981 before reversing course. By July 1982 yields plunged to 10 1/2 percent as bond prices staged a stunning recovery. After rising to nearly 12 percent in August 1983, yields on Treasury bonds with a maturity of 25 to 30 years are currently at around 11 1/2 percent.

Treasuries Preferred

All of which leads Mr. Trevor to say that "the outlook is very favorable for investing in bonds." He prefers long-term Treasuries to triple-A corporate bonds, partly because the yield spread between the two instruments is generally small. Treasury bonds also offer great liquidity, "practically no credit risk and are not callable."

"If interest rates decline to 9 1/2 percent in one year's time, Treasury bonds would show a total return, consisting of income plus price appreciation, of about 30 percent," the investment manager noted. "On the other hand, if interest rates increased to 13 1/2 percent, which we do not expect, the total return over one year would be about minus 3 percent."

This line of thinking leads him to describe the risk-reward ratio in Treasury bonds as "very favorable."

Such a thesis flies in the face of numerous forecasts on rate prospects that are far less optimistic. Henry Kaufman, chief economist for Salomon Brothers, has forecast that yields on long-term government bonds could climb to between 12 percent and 13 percent within a year.

Much of the case for a rising pattern of yields rests on the "crowding-out" theory that anticipates credit demands of the private sector bumping head-on into government borrowing needs. But Mr. Trevor's view is that a moderate-paced economic recovery will prevent any crowding-out effect.

Favorable Characteristics

Elsewhere, Barton M. Riggs, chief investment strategist for Morgan Stanley & Co., recently told clients: "Bonds have very favorable risk-reward characteristics with total returns of 30 percent over one year and 60 to 70 percent over two to three years, if interest rates decline as we expect."

At Mr. Trevor's firm a typical account last year was generally 100 percent invested in bonds, almost exclusively in long-term Treasuries. Now, a typical portfolio consists of 20 percent in stocks and 80 percent in money-market instruments, with the remainder in Treasury bonds.

The firm favors stocks with a potential for total return matching that of bonds. These include General Foods, Carnation, CPC International, Philip Morris, Procter & Gamble, Eli Lilly, American Home Products and Allied Stores. These companies are strong in marketing and they tend to be processors, rather than producers, of materials. And they offer an attractive "earnings yield," or the reciprocal of their price-earnings ratio.

Between 1975 and 1982, in the first eight years of its existence, Mr. Trevor's firm produced a total annual return of 18.9 percent for a typical client portfolio. This compared with a yearly total return of 15 percent for Standard & Poor's 500-stock index.

New York Times Service

CURRENCY RATES

Interbank exchange rates for Oct. 19, excluding bank service charges									
	\$	£	D.M.	FF.	Y.	₪	₹	S.P.	D.R.
American	1.00	0.75	1.93	6.55	20.36	1.70	1.00	1.00	1.00
British	0.75	1.00	2.55	8.75	27.36	1.87	1.00	1.00	1.00
French	0.15	0.12	1.00	6.55	20.36	1.70	1.00	1.00	1.00
German	0.52	0.42	0.39	1.00	3.36	2.93	1.00	1.00	1.00
Italian	0.17	0.14	0.13	0.15	1.00	0.87	1.00	1.00	1.00
Japanese	0.007	0.006	0.005	0.006	1.00	0.005	1.00	1.00	1.00
Swiss	0.70	0.55	0.50	1.66	5.48	4.75	1.00	1.00	1.00
Spanish	0.16	0.13	0.12	0.14	1.00	0.11	1.00	1.00	1.00
South African	0.03	0.02	0.02	0.03	1.00	0.02	1.00	1.00	1.00
U.S. Dollar	1.00	0.75	1.93	6.55	20.36	1.70	1.00	1.00	1.00

Dollar Values									
	\$	£	D.M.	FF.	Y.	₪	₹	S.P.	D.R.
100 U.S. Dollars	100.00	75.00	193.00	655.00	2036.00	170.00	100.00	100.00	100.00
100 British Pounds	133.33	100.00	255.00	875.00	2736.00	187.00	100.00	100.00	100.00
100 French Francs	6.55	5.20	100.00	6.55	20.36	1.70	100.00	100.00	100.00
100 German Marks	1.93	1.54	0.39	100.00	3.36	2.93	100.00	100.00	100.00
100 Italian Liras	0.17	0.14	0.13	0.15	100.00	0.87	100.00	100.00	100.00
100 Japanese Yen	0.007	0.006	0.005	0.006	100.00	0.005	100.00	100.00	100.00
100 Swiss Francs	0.70	0.55	0.50	1.66	5.48	4.75	100.00	100.00	100.00
100 Spanish Pesetas	0.16	0.13	0.12	0.14	100.00	0.11	100.00	100.00	100.00
100 South African Rand	0.03	0.02	0.02	0.03	100.00	0.02	100.00	100.00	100.00

Source: Reuters. (a) Commercial bank rates. (b) Amounts needed to buy one pound (£) Units of 100 (c) Units of 1,000 (d) Not quoted (e) Not available.

INTEREST RATES

Eurocurrency Deposits									
	\$	£	D.M.	FF.	Y.	₪	₹	S.P.	D.R.
1M	10.00	9.00	8.00	7.00	6.00	5.00	4.00	3.00	2.00
3M	9.50	8.50	7.50	6.50	5.50	4.50	3.50	2.50	1.50
6M	9.00	8.00	7.00	6.00	5.00	4.00	3.00	2.00	1.00
1Y	8.50	7.50	6.50	5.50	4.50	3.50	2.50	1.50	0.50

Key Money Rates

United States									
	Rate	Rate	Rate	Rate	Rate	Rate	Rate	Rate	Rate
Discount Rate	5 1/2%	5 1/2%	5 1/2%	5 1/2%	5 1/2%	5 1/2%	5 1/2%	5 1/2%	5 1/2%
Federal Funds	9 1/4%	9 1/4%	9 1/4%	9 1/4%	9 1/4%	9 1/4%	9 1/4%	9 1/4%	9 1/4%
Prime Rate	11 1/2%	11 1/2%	11 1/2%	11 1/2%	11 1/2%	11 1/2%	11 1/2%	11 1/2%	11 1/2%
Broker Loan Rate	10 1/2%	10 1/2%	10 1/2%	10 1/2%	10 1/2%	10 1/2%	10 1/2%	10 1/2%	10 1/2%
Comm. Paper, 30-179 days	8 1/2%	8 1/2%	8 1/2%	8 1/2%	8 1/2%	8 1/2%	8 1/2%	8 1/2%	8 1/2%
3-month Treasury Bills	8 1/2%	8 1/2%	8 1/2%	8 1/2%	8 1/2%	8 1/2%	8 1/2%	8 1/2%	8 1/2%
6-month Treasury Bills	8 1/2%	8 1/2%	8 1/2%	8 1/2%	8 1/2%	8 1/2%	8 1/2%	8 1/2%	8 1/2%
CD's 30-89 days	8 1/2%	8 1/2%	8 1/2%	8 1/2%	8 1/2%	8 1/2%	8 1/2%	8 1/2%	8 1/2%
CD's 90-89 days	8 1/2%	8 1/2%	8 1/2%	8 1/2%	8 1/2%	8 1/2%	8 1/2%	8 1/2%	8 1/2%
West Germany									
Lombard Rate	5.50	5.50	5.50	5.50	5.50	5.50	5.50	5.50	5.50
Overnight Rate	5.50	5.50	5.50	5.50	5.50	5.50	5.50	5.50	5.50
One Month Interbank	5.50	5.50	5.50	5.50	5.50	5.50	5.50	5.50	5.50
3-month Interbank	5.50	5.50	5.50	5.50	5.50	5.50	5.50	5.50	5.50
6-month Interbank	5.50	5.50	5.50	5.50	5.50	5.50	5.50	5.50	5.50
Japan									
Discount Rate	5 1/2%	5 1/2%	5 1/2%	5 1/2%	5 1/2%	5 1/2%	5 1/2%	5 1/2%	5 1/2%
Call Money	6 1/2%	6 1/2%	6 1/2%	6 1/2%	6 1/2%	6 1/2%	6 1/2%	6 1/2%	6 1/2%
60-day Interbank	6 1/2%	6 1/2%	6 1/2%	6 1/2%	6 1/2%	6 1/2%	6 1/2%	6 1/2%	6 1/2%

Sources: Commercial Bank of Tokyo, London Bank.

U.S. Banks Push Prime-Based Loans

Change Lifts Costs For Poorer Nations

By Carl Gewirtz

International Herald Tribune

PARIS — Despite protests from their foreign-currency-starved borrowers, U.S. banks are quietly but aggressively marketing to foreign banks a scheme enabling them to pocket extra profits out of loans to developing countries.

The aim is to entice foreign lenders to price their loans over the prime rate of U.S. banks rather than over the traditionally used London interbank offered rate. Prime is more profitable for U.S. banks, which are offering to split some of these gains with their foreign colleagues.

But the prime rate, currently 11 percent, is virtually always more expensive for borrowers than is Libor, whose offered rate was 9 1/4 percent Wednesday. Thus, the more that lenders opt for pricing over the prime rate, the more that borrowers pay to borrow.

"It is definitely unethical. It borders on the illegal," protests Jose Angel Gurria Trevino, director of Mexico's external-debt office. Most commercial bankers interviewed for this article, none of whom was willing to be quoted by name or institution, defended their effort to, in the words of one, "get the biggest bang for your buck."

Central bankers, who have been cajoling commercial lenders to continue lending lest the major debtors be driven to repudiate their existing debt, said that they were unaware of the specific maneuvers of the commercial banks.

But central bankers, as one admitted, were of two minds. "Wearing a macroeconomic hat, they would say of course it would be nice if Brazil didn't have to pay that much. An excessive burden is an excessive burden. But as supervisors of their domestic banks they know the banks' exposure, they know that capitalization has declined in terms of the balance sheet, and they know that the one way to build it up is to increase profits. It's a very reasonable thing for banks who increase their exposure to get out the maximum profit."

The view in the developing countries, not only those in financial difficulty, differed. There was widespread support of the view expressed by Mr. Gurria, who said: "Everybody talks about the magic of the market, but they're tampering with it and taking advantage off us in the process."

A Midwest banker observed that "people who talk in terms of profitability of reached, they are living in a world of unreality. When we're talking about actually saving principal, why one should be worried about how much profit is being earned is a mystery."

"I think more people should visit Latin America and discover that unless the political will is there to push these deals through we could all in fact be facing gigantic losses. So a more prudent attitude on the part of bankers is called for."

Up to now, non-U.S. banks have been loath to price their loan participations over the prime rate.

Prime is a purely managed rate, created by banks. At present, it stands 195 basis points over what New York banks would have to pay for issuing 90-day certificates of deposit. (100 basis points equal one percent.) That rate, experts agree, is as good a proxy as any for measuring what big U.S. banks pay to buy deposits, but the real cost — including customer deposits on which banks may pay no interest — is lower.

Foreign banks have tended to avoid pricing loans over the prime, recalling President Nixon's order to avoid such deals through we

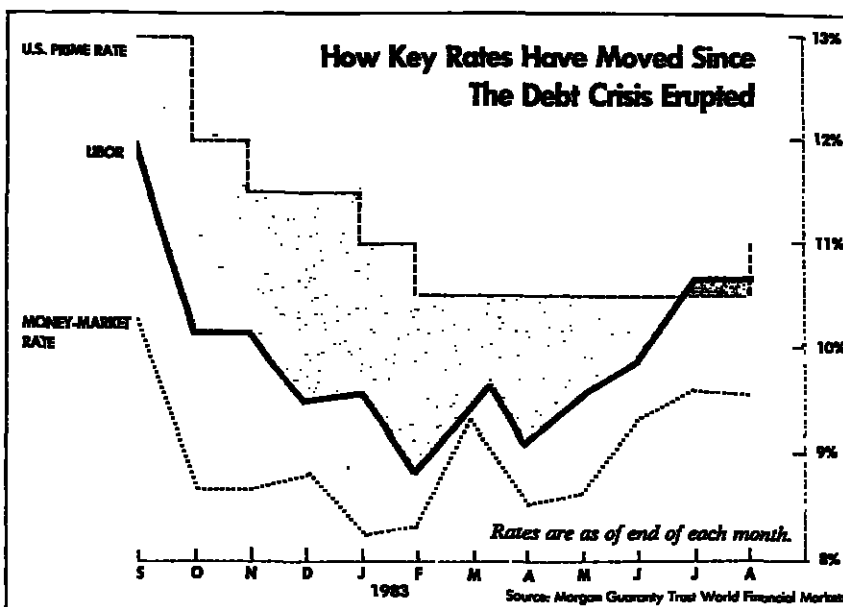


Chart shows the prime is generally above Libor. The gap between prime and money-market rates indicates the profit potential of prime-based lending.

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(Continued on Page 9, Col.3)

NYSE Closes Broadly Lower After AT&T Report

United Press International

NEW YORK — New York Stock Exchange prices fell for the second consecutive session Wednesday despite a late comeback from the shock caused by American Telephone & Telegraph's report of sharply lower earnings.

Several analysts said investors, already stung by Digital Equipment's disappointing profits projection, realized they overreacted to the AT&T news and did some last-minute buying.

As a result, the Dow Jones industrial average, down 13 points at midday, ended the session at 1,246.75. But broader-based market barometers showed worse results. Big Board volume surged to 107.5 million shares from the 91.1 million traded Tuesday as institutions sold heavily at the outset and then began to buy.

American Telephone & Telegraph, the most active NYSE-listed issue, fell 1 1/2 to 62 1/2 on more than 5.4 million shares. AT&T's third-quarter earnings dropped to \$1.51 a share from \$2.32 a year ago.

BankAmerica Says Net Dropped 29%

United Press International

NEW YORK — BankAmerica Corp. Wednesday reported third-quarter earnings fell 29 percent because of a sharp increase in such nonperforming loans as those of Seafirst Corp. and continuing automation costs.

BankAmerica, San Francisco-based holding company for Bank of America, said earnings fell to \$76 million, or 39 cents a share, in the third quarter from \$107 million, or 71 cents a share, in the like period last year. The 45 percent decrease in per-share results reflected preferred-stock dividends.

Analysts said investors were bitterly disappointed the company, which expects earnings of up to 35 cents a share versus \$1.02 a year ago, said its shipments had been delayed. Digital officials said the setback was temporary.

"I wouldn't be surprised to see the market bounce back a bit Thursday but it's still defensive," Mr. Zinder said.

Hewlett-Packard was the third most active issue, off 2 to 39. IBM was fourth, up 1 1/4 to 130 1/2. IBM Tuesday introduced a new version of its personal computer.

didn't fall as much as expected." Digital Equipment, which plunged 21 points Tuesday when the company said its first-quarter results would not meet analysts' estimates, was the second most active issue, off 6 1/4 to 72 1/2 on more than 5 million shares.

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Bell's Long-Lines Rivals Freed From Regulation

The Associated Press

WASHINGTON — The Federal Communications Commission ushered in a new era of "marketplace freedom" Wednesday by freeing Bell System's long-distance competitors from virtually all regulation.

By a unanimous vote, the agency also significantly reduced its regulation of satellite operators and domestic telephones.

The changes mean that companies like MCI Communications and GTE-Sprint will be free to raise or lower rates, enter new markets or discontinue services without the FCC's prior approval.

Satellite operators like RCA American Communications and Satellite Business Systems, and domestic telephones and telegraph providers like Western Union Telegraph, must still file proposals to change rates or services with the commission, but only on 14-day notice instead of 90 days. If the FCC does not overturn such a proposal in 14 days, the company will be free to implement the change.

The decision leaves only American Telephone & Telegraph Co. and companies offering international telegraph and telegraph services subject to full regulation by the FCC.

"As far as we're concerned, this is another incredible action by the FCC," said an AT&T spokesman, Pic Wagner. "The commission continues to allegedly encourage competition, but won't permit us to compete fairly. Our competitors can run up and down the playing field as they choose, and the commission continues to make us stay behind the goal line. That essentially makes no sense."

The commission did agree Wednesday, however, to launch a special inquiry soliciting public comment on how AT&T's long-distance telephone services should be regulated in the future.

While the commission did not formally propose any changes in the way it regulates AT&T, it asked for comment on how it might assess AT&T's market power in the future; whether it was necessary to continue demanding extensive cost-support data before any rate changes; and whether it might be possible in the future to establish a "zone of reasonableness" within which AT&T could adjust its rates however it wished.

FCC Chairman Mark S. Fowler called the agency's action a "giant step forward," suggesting that the commission was simply recognizing that "entry, exit and pricing barriers are unnecessary" when the companies being regulated do not have "market power."

The inquiry on regulating AT&T, added Commissioner Mimi Weyforth Dawson, "holds great potential to allow for deregulation in some areas. It's an important thing to do even if we only end up with some procedural changes."

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AT&T Net Fell 28% in Quarter

\$5-Billion Special Charge Expected From Divestiture

United Press International

	Vol.	High	Low	Close	Chgs
Womb's	1478	5 1/4	5 1/4	5 3/4	+ 1/4
ImpCh	4441	5 1/2	5 1/2	5 1/2	- 1/4
TIE	2317	2 1/4	2 1/4	2 3/4	+ 1/4
Domest	1193	18 1/2	18 1/2	19 1/4	+ 1/4
Diff'd	1688	26 1/2	26 1/2	26 1/2	+ 1/4
Ultimate	1183	18 1/2	18 1/2	19 1/4	+ 1/4
Arceps	1725	17 1/2	17 1/2	18 1/4	+ 1/4
Partic of	1048	14 1/4	14 1/4	14 1/4	+ 1/4
Arceps	115	2 1/4	2 1/4	2 1/4	+ 1/4
Brook	907	14 1/4	14 1/4	14 1/4	+ 1/4



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Price

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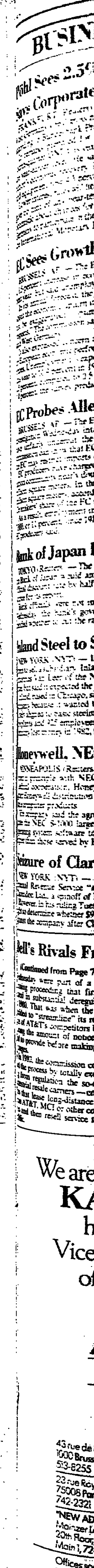
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Wednesdays

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BUSINESS BRIEFS

Pöhl Sees 2.5% GNP Growth for '84, Says Corporate Investment Is Crucial

FRANKFURT (Reuters) — Expectations of 2.5-percent growth in West Germany's real gross national product in 1984 are not unrealistic, according to Bundesbank President Karl Otto Pöhl.

In remarks prepared for delivery Wednesday night, Mr. Pöhl said fourth-quarter GNP this year probably will be about 2.5 percent above the year-earlier level. He said corporate investment is the key to the nation's economic recovery. In the first half of 1983, investment in plant and equipment rose 4.5 percent above the level of a year earlier.

Lower interest rates will help promote recovery, Mr. Pöhl added, but he gave no hint of any near-term cut in the Bundesbank's rates. He was optimistic about chances for a rise in exports, and said he expects West Germany to participate in the 4.5-percent rise in world trade predicted by the International Monetary Fund for next year.

EC Sees Growth, but High Joblessness

BRUSSELS (AP) — The European Community predicted Wednesday a 1.5-percent increase in economic growth in the 10 member countries next year, but said unemployment probably would rise to record levels.

In its annual forecast, the EC Commission was cautiously optimistic about the economic upturn in Europe, but warned that "progress should not be exaggeratedly optimistic. It remains slow and fragile in all respects." The commission said the best improvement would be in Britain and West Germany.

It also expressed concern about the impact of high U.S. interest rates on European economic performance, and it predicted a drop in consumer prices. Unemployment is expected to rise from an average of 10.4 percent this year to 10.9 percent in 1984. The gross national product will expand 1.5 percent, compared to 0.5 percent this year, and exports will grow by 3.4 percent, the survey predicted.

EC Probes Alleged Spanish Dumping

BRUSSELS (AP) — The European Community Commission began an investigation Wednesday into charges that Spanish ceramic-tile makers have unfairly undercut the prices of their EC counterparts. If the commission can show that EC producers have been hurt by the dumping, the EC may restrict imports of Spanish tiles.

EC producers have charged that sales of Spanish-made tiles in the 10-nation community nearly doubled between 1979 and 1982, to more than 9 million square meters. In the first half of 1983, these sales totaled 5.7 million square meters, according to EC producers. They said the Spanish tile makers' share of the EC market was now about 6 percent.

As a result, employment in the EC tile-making sector has dropped by 7,000, or 11 percent, since 1980, and sales have declined by 7 percent, the EC producers said.

Bank of Japan Is Said to Plan Rate Cut

TOKYO (Reuters) — The Kyodo News Agency said Wednesday that the Bank of Japan would announce plans Friday to cut its 5.5-percent official discount rate by half a point on Saturday. The agency gave no source for its report.

Bank officials were not immediately available for comment. Earlier Wednesday, the bank's governor, Haruo Mackawa, said he had not decided whether to cut the rate.

Inland Steel to Sell Unit to Dutch Firm

NEW YORK (NYT) — Inland Steel Co. has negotiated a letter of intent to sell a subsidiary, Inland Steel Container Co., to Royal Packaging Industries Van Leer of the Netherlands. Inland would not disclose the price, but said it expected the sale to be completed by the end of the year.

Inland, based in Chicago, said Tuesday that it was selling the container company because it wanted to concentrate its resources "in areas more closely aligned to basic steelmaking." The container company, which has five plants and 925 employees, makes pails and drums. While the parent company lost money in 1982, the container company earned \$1.8 million.

Honeywell, NEC Sign Computer Pact

MINNEAPOLIS (Reuters) — Honeywell Inc. has entered an agreement in principle with NEC Corp. covering patents, copyrights and technical cooperation, Honeywell said Wednesday. The accord would grant Honeywell distribution and manufacturing rights for NEC's large-scale computer products.

The company said the agreement includes Honeywell's plan to integrate the NEC S-1000 large-scale control computer with its GCOS-8 operating system software to meet performance requirements that are higher than those served by Honeywell's DPS-8 system.

Seizure of Clarendon Assets Upheld

NEW YORK (NYT) — A U.S. district judge has ruled that the Internal Revenue Service "acted reasonably" in seizing the assets of Clarendon Ltd., a spinoff of Marc Rich's domestic commodity concern.

However, in his ruling Tuesday, the judge, Richard Owen, reserved the right to determine whether \$90.4 million was a reasonable tax assessment against the company after Clarendon presents testimony Thursday.

Bell's Rivals Freed From Regulation

(Continued from Page 7)

Wednesday were part of a long-running proceeding that first resulted in substantial deregulation in 1980. That was when the FCC decided to "streamline" its regulation of AT&T's competitors by reducing the amount of notice they had to provide before making rate changes.

In 1982, the commission continued the process by totally exempting from regulation the so-called "non-dominant" carriers — companies that lease long-distance lines from AT&T, MCI or other companies and then resell service to the public.

On Wednesday, the agency said it had decided it should treat the provision of long-distance voice, data, video, telex and satellite circuits as a "single interstate, inter-exchange telecommunications market." Within that market, the commission asserted, only AT&T can be classified as a "dominant carrier" — able to set its rates at anti-competitive levels because of its position in the market.

Since there is now sufficient competition among all the other "nondominant" companies to allow customers to shop around for service, strict regulation of them is unnecessary, the FCC concluded.

U.S. Personal Income Climbed 0.9%, Consumer Outlays Rose Last Month

WASHINGTON — Personal incomes in the United States rose 0.9 percent in September, the second strongest monthly gain since the economic recovery began nearly a year ago, the Commerce Department reported Wednesday.

At the same time, consumers stepped up their purchases by 1.5 percent, a jump only slightly smaller than the 1.7-percent increases of April and May that helped get the U.S. recovery moving forward in earnest.

The department also reported that housing starts fell 13.4 percent to a seasonally adjusted annual rate of 1,652,000 units, the lowest level since April. The rate for August was also revised downward from 1,935,000 to 1,909,000.

A drop in new housing starts had been expected as increases in mortgage interest rates during the summer cut into home sales. Housing permits also declined 9 percent last month, to an annual rate of 1,504,000 units, suggesting that the level of starts will fall further in coming months.

The strong September gains in personal income and purchases followed a much weaker August report. That month personal income went up only a seasonally adjusted 0.3 percent while spending had dropped by 0.2 percent.

Robert Ortner, the department's chief economist, called the September income growth "good and solid."

U.S. Banks Push Prime-Based Loans

(Continued from Page 7)

Lyndon B. Johnson's "jawboning" of U.S. banks to hold the then politically sensitive prime rate from rising as fast and as high as bankers said was necessary — reducing, if not entirely eliminating, the profits of banks lending at prime.

In addition, foreign institutions fear that in the event of a financial crisis, they could never be certain that they would always have access to the New York money market to fund at a profit commitments based on the prime rate.

Also, foreign institutions may be obliged to book loans to Brazil, Argentina or other developing countries at their home office to qualify for tax benefits from bilateral tax agreements.

But the prime rate does have appeal. Lenders can earn a bigger profit using prime than Libor, a pure market rate set in relation to other short-term interest rates that can vary from minute to minute.

Banks theoretically fund their participations at the London interbank bid rate, an eighth of a point below the offered rate. But major banks can expect to attract deposits at 1/8- to 1/4-point below the bid rate — minus a spread compared to the spread of 195 basis points that U.S. banks have between their cost of funds and prime.

This higher inherent profit for banks using prime as the base rate in syndicated loans is reflected in the margin that borrowers pay. Brazil, to use a current example, is offering lenders 1 1/4 points over the prime rate or 2 points over Libor to reschedule \$5 billion of overdue debt and provide \$6.5 billion in new money.

Borrowers have resisted tying their loan rates to prime. But to attract an ever-wider group of participants — particularly the regional U.S. banks — for ever-larger sums of money, borrowers starting in 1980 acquiesced in offering lenders that option.

Typically, they would allow no more than 50 to 60 percent of a loan to be tied to prime. But with the eruption of the international debt crisis in August 1982, the focus of borrowers shifted from the cost of money to availability, at whatever price.

And ever since, U.S. banks have been soliciting their foreign colleagues to opt for the prime pricing by offering prime-Libor swaps that effectively transform a foreign bank's Libor funding into prime-based funding. As a result, both lenders earn bigger profits — at the expense of a higher interest rate charged to the borrower.

This is how it works. The foreign bank agrees to pay its prime-rate interest income to its U.S. counterpart, minus an agreed number of basis points. Currently, bankers report, that would be prime less 70 basis points.

The foreign bank, using the Brazil loan as an example, would keep the 1 1/4-point margin and the 70-

U.S. Tells Toyota Its GM Project Is in Danger

By Robert D. Hershey Jr.
New York Times Service

WASHINGTON — A U.S. agency has warned Toyota Motor Co. that its plan for a joint venture with General Motors Corp. to build subcompact cars in California is in jeopardy because of the Japanese company's refusal to provide financial data.

The effect of a letter sent Tuesday afternoon to Toyota by the Federal Trade Commission was to give the company "one last chance" to supply information the FTC says it needs to decide whether the venture would violate U.S. antitrust laws, one of the commissioners said.

The two giant car makers, each the largest in its own country, announced plans in February to produce a Toyota-designed subcompact at a GM assembly plant in Fremont, California. The \$300-million venture would be owned 50-50 by each company.

GM's chairman, Roger B. Smith, said in a telephone interview Tuesday that his company was concerned about the money it has been putting "at risk" in the venture as it renovates the closed Fremont plant.

Toyota's delay in submitting data to the FTC has caused speculation that the company may have lost interest in the joint venture and is looking for a way to blame Washington for causing the deal to fall through.

The FTC voted Tuesday, 4 to 0, to have the director of its Bureau of Competition, Timothy Muris, send a warning letter to Toyota. The commission did not make the letter public, but its contents were learned from officials.


The Japanese refusal to provide cost and profit figures to the FTC may also be related to an investigation by the Internal Revenue Service into whether Toyota has been artificially deflating earnings of its U.S. marketing affiliates to avoid income taxes. The IRS is understood to suspect that Toyota has been changing its U.S. distributors' unusually high prices, thus holding down the distributors' profits and taxes.

Efforts have been made in recent weeks to find a way to supply data to the FTC without affecting the tax case. Commission officials say, however, that they must share any information submitted to them with other law enforcement agencies.

Earl Kintner, a former FTC chairman and Toyota's Washington lawyer, said Tuesday night, "We'll have to consult with our client as to what their final decision is."

Under the Hart-Scott-Rodino Antitrust Improvements Act of 1976, the agreement may not be consummated until at least 30 days after the FTC receives all the information it requested.

PIAGET

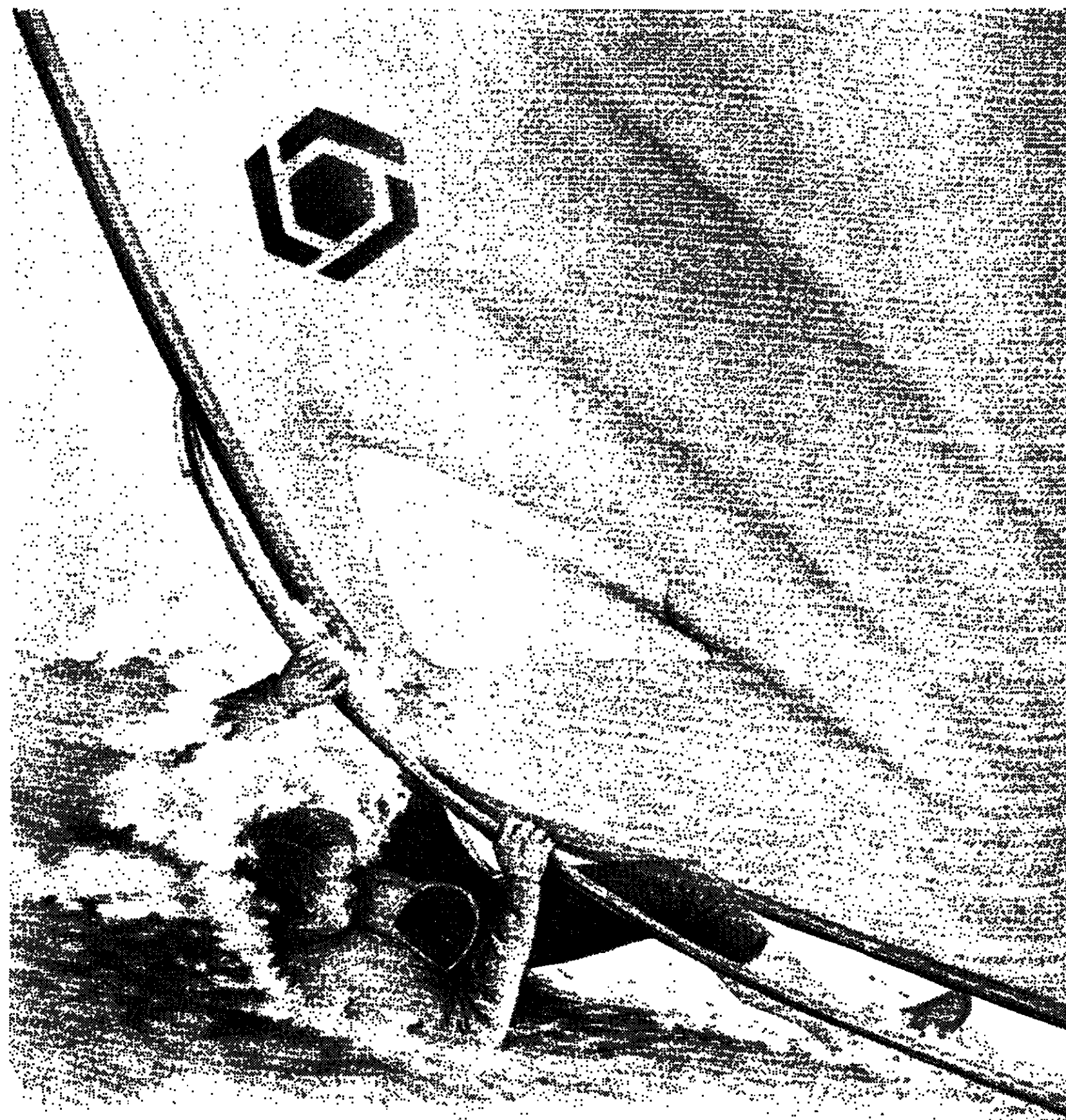


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Wednesday's AMEX Closing

Vol. of 4 p.m. \$178.00
Prev. 4 p.m. Vol. \$178.00
Prev. Consolidated Close \$178.00

Tables include the nationwide prices
Up to the closing on Wall Street

Stock	Div.	Yld.	PE	12 Month High	12 Month Low	Class	Open	Close
AAV	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0
AAV	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0
AAV	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0
AAV	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0
AAV	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0
AAV	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0
AAV	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0
AAV	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0
AAV	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0
AAV	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0

Stock	Div.	Yld.	PE	12 Month High	12 Month Low	Class	Open	Close
AAV	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0
AAV	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0
AAV	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0
AAV	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0
AAV	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0
AAV	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0
AAV	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0
AAV	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0
AAV	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0
AAV	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0

Stock	Div.	Yld.	PE	12 Month High	12 Month Low	Class	Open	Close
AAV	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0
AAV	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0
AAV	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0
AAV	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0
AAV	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0
AAV	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0
AAV	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0
AAV	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0
AAV	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0
AAV	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0

ADVERTISEMENT INTERNATIONAL FUNDS

Oct. 19 1983
The net asset value quotations shown below are supplied by the Funds listed with the exception of some funds whose quotes are based on issue prices. The following symbols indicate the frequency of the quotations: (D) - daily; (W) - weekly; (M) - monthly; (Q) - quarterly; (Y) - yearly; (I) - irregularly.

Fund	Net Asset Value	Fund	Net Asset Value
AMERICAN MANUFACTURING CO. INC.	\$1.00	AMERICAN MANUFACTURING CO. INC.	\$1.00
AMERICAN MANUFACTURING CO. INC.	\$1.00	AMERICAN MANUFACTURING CO. INC.	\$1.00
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AMERICAN MANUFACTURING CO. INC.	\$1.00	AMERICAN MANUFACTURING CO. INC.	\$1.00

Floating Rate Notes

Oct. 19

Bank	Rate	Bank	Rate
Bank of America	10.00%	Bank of America	10.00%
Bank of America	10.00%	Bank of America	10.00%
Bank of America	10.00%	Bank of America	10.00%
Bank of America	10.00%	Bank of America	10.00%
Bank of America	10.00%	Bank of America	10.00%
Bank of America	10.00%	Bank of America	10.00%
Bank of America	10.00%	Bank of America	10.00%
Bank of America	10.00%	Bank of America	10.00%
Bank of America	10.00%	Bank of America	10.00%
Bank of America	10.00%	Bank of America	10.00%

Non Banks

Oct. 19

Bank	Rate	Bank	Rate
Bank of America	10.00%	Bank of America	10.00%
Bank of America	10.00%	Bank of America	10.00%
Bank of America	10.00%	Bank of America	10.00%
Bank of America	10.00%	Bank of America	10.00%
Bank of America	10.00%	Bank of America	10.00%
Bank of America	10.00%	Bank of America	10.00%
Bank of America	10.00%	Bank of America	10.00%
Bank of America	10.00%	Bank of America	10.00%
Bank of America	10.00%	Bank of America	10.00%
Bank of America	10.00%	Bank of America	10.00%

Weekly net asset value

Oct. 19 1983

Fund	Net Asset Value	Fund	Net Asset Value
AMERICAN MANUFACTURING CO. INC.	\$1.00	AMERICAN MANUFACTURING CO. INC.	\$1.00
AMERICAN MANUFACTURING CO. INC.	\$1.00	AMERICAN MANUFACTURING CO. INC.	\$1.00
AMERICAN MANUFACTURING CO. INC.	\$1.00	AMERICAN MANUFACTURING CO. INC.	\$1.00
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BOOKS

Veteran Runner Changes Pace for N.Y. Marathon

By Neil Amador
New York Times Service
READING, Pennsylvania — The N.Y. Marathon, on the outskirts of Reading, is an environmental preserve with 134 bird and animal species scattered throughout its 666 acres. Around midmorning or early evening, it is not uncommon to see a deer or a fox on a path. The path is made into a series of running routes. Dixon has run for as long as he can remember. Through the woods and farms back home in New Zealand, with his older brother John. On his paper route. To the ovals and school miles away.



What put me off was the megamileage some runners were doing. . . . What a boring life.

"My grandfather once teased that he had the skinniest sheep in the country, because my brother and I chased them so much," Dixon recalled. But run a marathon? Never. Dixon maintained throughout much of his career. After 43 sub-4-minute miles, an Olympic bronze medal in the 1,500 meters and enjoyable times from Stockholm to Sydney, who needed the longer training and the gaunt look that went with marathoning?

"What put me off," Dixon said after a leisurely one-hour run here one recent morning, "was the megamileage that some runners were doing. I knew what it was like to get to 100 miles a week, and that scared the hell out of me—to think that I had to train twice as hard, that I was going to be twice as tired. . . . What a boring life."

But on Sunday, Dixon, 33, will enter the 14th New York City Marathon, a five-borough, 26.2-mile journey that no foreign male has ever won. It will be Dixon's second marathon—he won in 2 hours 11 minutes 21 seconds at Auckland, New Zealand, on May 31, 1982, but the first that he has seriously planned and trained for over a period of months.

Dixon has been among the world's top 10 every year since 1972, first in track and field events and more recently in road racing, where he has won his last 19 races.

At 6 feet 2 inches and 152 pounds, toughened from training with a bicycle and punching bag in addition to regular two-a-day runs, Dixon weighs only a pound more than he did as a surprising third-place finisher behind Pekka Vasala of Finland and Keeney Kip Keino at the 1972 Olympics.

But where Vasala, Keino and others have long since retired, Dixon's love for the sport and his ability to run faster for longer stretches have expanded his frontiers. After a fourth-place finish in the 5,000 at the 1976 Olympics (a race he lost in the last lap), he began to look more thoughtfully toward even longer events.

He ran his first marathon primarily on cross-country experience. "That had never been my thing. In track days, it had always been three or four races a week. In road races, one race a weekend. Suddenly, I was looking at a three-month plan toward a race, and I didn't think I'd be able to concentrate for that long. I didn't think I'd be able to discipline myself in training for one event. I thought I'd get sidetracked too much—somebody would call and say, 'Oh, we've got a 10-K race this weekend, it's nice and easy, how about coming over? There's no one coming in for it.'"

"But I had a plan, and I set it in July and I've stayed with it. Now that I'm so close to New York, I'm more confident because I feel that at least I've gone with my plan. Seeing my training coming through. . . . At least I've realized these goals. You get confident from that, and you need that confidence."

No runner brings swifter credentials to the marathon. During the

years when he and his countryman, John Walker, had almost as much fun off the track as on it, Dixon ran the 1,500 in the 1974 Commonwealth Games in 3:33.89 and the mile in 3:53.4 a year later. Dixon shifted to road racing after New Zealand joined the United States in boycotting the 1980 Moscow Olympics and now spends four to five months competing in this country.

Dixon said he made his decision to switch to road racing in 1980. "The Olympics were gone from me," he explained. "I was hoping that maybe there would be a chance for me to be the Bruce Jenner of the 1980 Games, that I could work toward something, get that gold, go home, be commercially minded and go for it."

"But that chance was taken away, so I had to say, 'Can you afford to stay around for the next four years?' I said, 'No, I can't—I'm not on this basis. What if they take them away from me in business, my business is my sport, I will run it like a business. If I can't run it successfully, I'd better get out of it. That's when I turned to road racing.'"

He still wears the gold chain that he bought in 1975, on the morning that Walker ran the first sub-3:50 mile. When he and Walker went a full year without speaking to each other, after a business deal severed their long and close friendship in 1980, Dixon thought of all their spirited occasions together, phoned Walker one day and invited him to lunch. Five hours later, they emerged from the restaurant laughing, recounting sprits through airports, Dixon's exploits at a pub in England and the time that Walk-

Dixon's Training Schedule

Sept. 11—2-hour morning run, lots of hills; 1 1/2-hour bicycle ride after run.
Sept. 12—Morning forest run, 53 minutes at between 6 and 8:30 mile pace; Afternoon run, log around bike path, 43 minutes; workout at YMCA with punching bag and stationary bike.
Sept. 13—Morning run, hill circuit, 43 minutes; bicycle ride on same circuit after run; Evening, forest warmup, 30 minutes; 10,300-yard runs at average of 34-36 seconds.
Sept. 14—Morning run on the roads, 1 hour 20 minutes.
Sept. 15—Morning forest run, 55 minutes; Evening run, 40 minutes, plus workout on punching bag, dips and stationary bicycle.
Sept. 16—Morning run, 44 minutes; Evening run, 42 minutes, plus light 20-minute workout on punching bag.
Sept. 17—Morning forest run, 53 minutes; Afternoon track workout, 7-lap warmup in lane 8, 8:40.8 two-mile, 10 minutes rest, 4:09.8 mile, five minutes rest, 1:56.9 half-mile, 2 1/2 minutes rest, 56-second quarter-mile.



The New York Times/Dan Miller

Marino Is Shula's Trump Card

By Dave Anderson
New York Times Service
NEW YORK — Some coaches refer to stand on ceremony, or at least on a carpet. But after the Miami Dolphins stunned the New York Jets, 32-14, Sunday, Don Marino stood on the floor of the team's bathroom at Shea stadium as he discussed his future, team and his rookie quarterback, Dan Marino. The three are connected.

On Feb. 28, Shula's contract with the Dolphins will expire. As a result, he has been openly coveted by Donald Trump, the new owner of the New York Jets, as the coach of that United States football franchise.

But don't look for Shula to leave the Dolphins, especially now that he has Marino, the quarterback in the arm that creates the potential of a coach dreams about. For now, Shula is listening to Trump, if no other reason than to create a lary wedge in his negotiations with Joe Robbie, the Dolphin owner. Shula confirmed that Trump's talked of a five-year contract worth \$1 million annually.

But Shula is a pillar of the National Football League establishment, its most respected coach and a strong voice on its competition committee, which determines its playing rules. It's hard to believe that he would leave the NFL for a league that is not yet assured of surviving its second season. If he wants \$1 million a year, he can get it in the NFL.

If the Dolphins were a team in transition, perhaps Shula would be tempted to depart. But judging by Marino's performance Sunday, Shula has found a quarterback for the Dolphins' next decade. Shula smiled. "All these things," he said, "are factors."

In his second start, Marino completed 17 of 30 passes for 225 yards and three touchdowns. In his two starts, he has completed 36 of 59 passes for 547 yards and 6 TDs. In all, he has completed 59 of 98 attempts for 787 yards and 9 TDs.

"What you saw is what he can give us — big play potential," Shula said. "He's got the quick arm that you need, especially against a team with a pass rush like the Jets." Shula hasn't had a quarterback with that quick an arm since he



Dolphin Coach Don Shula and rookie quarterback Marino.

Olympic Rumor Control Unit Planned

By Kenneth Reich
Los Angeles Times Service

LOS ANGELES — With the backing of Olympic security planners, the Los Angeles County Commission on Human Relations announced plans Tuesday to establish an Olympic Rumor Control Unit that would operate 24 hours a day during the 1984 Games.

"The basic mission must be simple," said a statement released by the commission's executive director, Eugene S. Morrell. "The rumor center will counter unfounded information, misstatements of fact or incomplete factual information with verifiable factual information."

"There is no way to know what kind of disruptions or violence, if any, will take place in 1984 in Los Angeles," the commissioner said. "The potential for eruption of such problems . . . is high. The very diversity of this area, and the ability of many peoples to live and work together, can make it a showcase to the world. Realistic planning must include more disturbing possibilities."

Morrell said the commission will collect information from both law enforcement authorities and a private network of community volunteers and disseminate it through an office equipped to receive hundreds of telephone calls from citizens.

He said that the commission will provide a core staff of three or four people at a cost of about \$10,000, but that it is seeking donations of a place to operate and telephone equipment as well as volunteer operators and community workers.

Morrell noted that a number of cities set up rumor-control centers during the civil disorders of the 1960s and that they were frequently lauded for helping to calm tense situations.

Commander Paul Myron, the officer responsible for Olympic security planning for the county sheriff's department, confirmed Tuesday that the full Olympic security planning committee had approved establishment of the center and said it was felt that the Human Relations Commission had the credibility to be effective throughout the Los Angeles area.

"Sometimes, police and newspaper reporters don't have the full story," Myron said. "And not always will the community believe us." That is why, he said, the security planners think the rumor center should have the capability of supplementing official information with private information in attempting to verify the facts of any disturbing situations that may develop during the Games.

The statement released by Morrell added, "One basic assumption of the rumor center must be explicit: Verification of information will precede disclosure."

"Authorities on the subject agree that the [watchword] for rumor centers is credibility," it said. "They say nothing would destroy the credibility of a rumor center faster than for it to be perceived as disclosing untrue or misleading information to the public or other users of the system."

"Based on these assumptions," the statement said, "the rumor cen-

Orioles: Holding On by Letting Go?

By Thomas Boswell
Washington Post Service

WASHINGTON — The baseball champion that was put in usually dead meat. The Baltimore Orioles could keep that in mind this winter. The time to act is after you've won, not after you've lost.

Every division or pennant winner, and even World Series champion, has a tendency to overstate its strengths and minimize the amount of luck involved in successes.

Last season's Series teams, St. Louis and Milwaukee, overestimated themselves and turned their eyes away from obvious weaknesses. Either out of loyalty to players or because of rose-colored glasses, they made no changes. This year, the Cardinals were losers and the Brewers finished fifth.

The Orioles are a club with obvious soft spots. Now, let everybody's smiling, it is the time for candor. It's time to hear the worst while you're still shaking the tory-parade confetti out of your hair.

A month ago, team owner Edward Bennett Williams said, "Give me a third baseman and a right-handed reliever and we'll rule the world like kland." — the A's having been champions in 1972, and '74. That proves the man at the top knows his b's limitations.

General Manager Hank Peters, the team's basic tactician, said Tuesday, "I never like the expression 'let pat.' We're not in a 'must-do' situation, but if price is right we're willing to play the [trade] game. Always, we'll move forward in a conservative manner."

Should they re-sign Jim Palmer and Dan Ford, two free agents, before the Nov. 7 reentry draft? ers says he will meet next week with Ron Shapiro, o represents both. Whether they re-sign affects all permutations in the Orioles' thinking (or trading) roster.

to play in Baltimore. But he may just be priming the bidding. California and Pittsburgh are more likely nests for the Goos.

■ And after all this is done, what role do the Orioles foresee for three prospects who could be to 1984 what Storm Davis and Cal Ripken were to '82 and what John Shelby and Mike Boddicker were to '83? Yes, the farm system is spewing out talent again — switch-hitting outfielder Mike Young, fast-balling right-handed reliever Mark Brown and Allan Ramirez (4-4, and a 3.47 earned-run average as an emergency starter) could be conspicuous Orioles in 1984.

Take 'em in order. Palmer would much prefer to stay in Baltimore near his teen-age daughters, even if it cost him money; Ford would also like to stay. But Palmer (undependability) and Ford (bad knee) may be within reach of the Orioles' middle-range wallet.

But how much do the Orioles even want them back? "Ford came back and had the season we hoped he'd have in '82," said Peters. "There's a general managers meeting in Palm Springs next week. We'll sit around and talk and exchange asking prices. . . . I will be meeting with Ron Shapiro before that."

With Ramirez and Martinez hungry for the fifth spot in the rotation behind Scott McGregor, Mike Flanagan, Boddicker and Davis, do the Orioles want the expense and aggravation of Palmer? It's clear they're high on Ramirez and have decided not to give up yet on Martinez.

Ford hit .280 with adequate run-production figures per at-bat, but his on-base percentage was low for a No. 2 hitter. He is a tougher call than Palmer, who is probably worth a one-year-contract gamble. If Ford re-signs, it could block Young's development.

"Mike Young is a guy who can affect your thinking. We like him very much," said Peters of the swift outfielder, who batted .284, hitting 14 homers and driving in 66 runs in 373 at-bats, in his second year in Triple-A ball.

The Orioles probably would like to play Young as much in 1984 as John Shelby did this year (325 at-bats, .258). "Shelby got his feet on the ground this year," said Peters. Young might get his wet in '84. But then, does Al Bumbry, 32, still fit into the picture? Or Benny Ayala, 32, who can't play the field but gets the key hit to help Steve Carlton in the Series? What about Tito Landrum, who hit .317 as an Oriole, hit the pennant-winning home run and generally impressed everyone as another Jim Dwyer-type star?

NHL Standings

WALDES CONFERENCE						Los Angeles 0 4 2 2 16 26					
Patrick Division						Tuesday's Results					
	W	L	T	Pts	GF GA		W	L	T	Pts	GF GA
NY Rangers	4	1	0	8	21	13	Quebec	3	2	3	(Sevard) (3), A.Shesty
PHILAD	4	1	0	8	21	13	(4) Beronick (3), Gossel (7);	Borace (3), M			
NY Islanders	4	1	0	8	21	13	iddleton (3), O'Connell (3)				
NY Jets	4	3	0	8	30	31	Buffalo 3, Pittsburgh 1 (Housley 2 (4),				
New Jersey	1	4	0	2	14	22	Perreault) (3), L'Amoureux (2)				
Pittsburgh	1	6	0	2	17	31	Edwards 4, N.Y. Islanders 3 (Cass 2),				
Washington	0	6	0	0	15	29	Evans (2), McDonald (3), Pasinetti (2)				
Atlantic Division						(4) Merrick (2), B.Sutter (4), Polvin (1))					

Adams Division										
W	L	T	Pts	GF	GA	W	L	T	Pts	
Quebec	5	2	1	11	42	33	5	2	1	11
Boston	4	2	0	8	28	18	4	2	0	8
Hartford	2	2	1	5	18	20	2	2	1	5
Buffalo	3	3	1	7	24	27	3	3	1	7
Montreal	2	3	0	4	27	25	2	3	0	4

Campbell Conference										
Morrison Division										
W	L	T	Pts	GF	GA	W	L	T	Pts	
St. Louis	5	1	0	10	28	19	5	1	0	10
Chicago	4	2	0	8	26	15	4	2	0	8
Caroline	3	2	1	7	32	28	3	2	1	7

ESORTS & GUIDES	
INTERNATIONAL	
ESCORT	
SERVICE	

Minnesota	2	3	1	5	27	27
Detroit	0	2	2	2	19	29

Service Division	W	L	T	Pts	GF	GA
Edmonton	4	6	6	12	34	26
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12 Are Indicted In Cocaine Probe Involving Royals

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12 Are Indicted In Cocaine Probe Involving Royals

KANSAS CITY, Kansas — A federal grand jury returned indictments Tuesday against 12 persons in a cocaine investigation that had resulted in guilty pleas earlier by four members or former members of the Kansas City Royals. No additional players were indicted Tuesday, and U.S. Attorney Jim Marquez said he does not expect to seek further indictments against any members of the Royals.

Former Royal pitcher Vida Blue pleaded guilty Monday to a charge of possessing three grams of cocaine and spent about two hours with the grand jury. Blue and three players charged last week with attempting to possess cocaine — Willie Wilson, Willie Aikens and Jerry Martin — face maximum sentences of one year in prison and \$5,000 fines. They are to appear for sentencing Nov. 17 on misdemeanor charges.

The 12 defendants indicted Tuesday were charged with conspiring to distribute cocaine, distributing cocaine and using a communications facility in furtherance of a felony. The various charges carry maximum penalties of from 4 to 15 years in prison and fines of \$25,000 to \$30,000.

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